

TO THE FINANCE COMMITTEE FOR THE STATE OF WI

Introduction: I am a Tax Payer of State of WI, Brown County and township of Rockland. As with most, I am tired of seeing an increase in taxes that I pay out year after year. With each year, it seems we have less concern about what we truly "need" and what is purely a luxury. It is not difficult to see how our deficit has become what it is today. (a major credit card – over-drawn!)

A good example of this is The Rails to Trails programs that WI seems to finance with an unlimited cap. Currently the state of WI (as quoted by Gary Hansen" "Leads the Nation in current active miles of trails). 1400 miles with approximately 1130 THOUSAND MILES, still available. With an approximately ½ million for each 10miles of trail, this is huge!

And who does this benefit?

\*Professional Bike Clubs

\*Local walkers who live near the Trail. (common sense will tell us, the majority of bikers & walkers will continue to use area's near their home to recreate. (Sidewalks & City streets)

In our local community meeting: I asked Gary Hansen the reason for wanting to spend our State & Federal dollars on a program that supports only a few? His reply: "IF WE DON'T SPEND IT HERE, WE'LL JUST SPEND IT SOMEWHERE ELSE". Is this truly how our Tax \$\$\$ works?

Two railroad beds that I'm familiar with are:

Proposed Fox River Trail: which seems to have some hidden costs. Although the DNR inform us our State cost will be less than ½ million, they are not sharing the cost of two bridge removals & Contamination clean-up. Our State will be expected to pick-up the tab for if an "Agreement" is decided.

Rail Bed South of Greenleaf: was recently used by local businesses as a cheaper means to transport to the Midwest. This also, was recently shut down to project the next Proposed trail.

What's cause this?

The flashing of our own State & Federal \$\$\$ in the face of the Transportation Board. They are making a killing at Tax-Payers & Land-Owners expense.

From a state prospective, I would ask of you to investigate how much of our State \$\$ ( to include those so call "Federal Grants", "Surplus", etc.) have been spent thus far on Purchasing Rail-Road right-a-ways. Regardless of what it's called, it's still funded by you & me. (The Taxpayers)

I would also encourage you to investigate those hidden cost (such as removal/repairs of bridges, clean-up, etc) that seem to not surface until after finance decisions are made.

I appreciate your willingness to allow me to voice my concern.

Rose Hocker S  
920-336-7765

Lauri Janssen  
920-336-6387

Finance Hearing 3/26/99

I am Jerry Slavik, an advocate for the taxpayer.

My address is:

830 E. Walnut St.

Green Bay, WI 54301

Phone # 920-432-7496

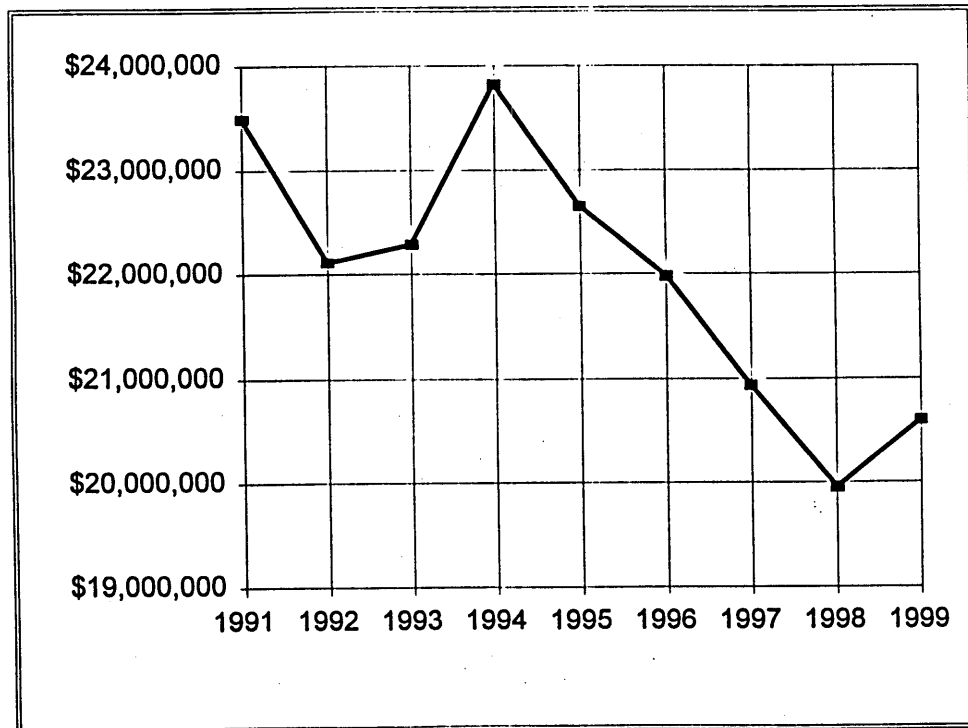
You will be hearing all day long more money will be needed. As you hear this, please remember Wisconsin is already in the top 5 highest taxed states in the United States.

**Please keep Common sense in our government !**

It might be a good idea to give \$150.00 to each Wisconsin resident as the current bill supported by John Ryba States. This would send a message to them that you are listening and really do care.

# CITY OF GREEN BAY STATE SHARED REVENUES AND EXPENDITURE RESTRAINT PROGRAM REVENUES

YEAR	STATE SHARED REVENUES & ERP	INCREASE/ DECREASE	% CHANGE
1991	\$23,493,668		
1992	\$22,115,334	-\$1,378,334	-6.23%
1993	\$22,290,245	-\$174,911	-0.79%
1994	\$23,824,395	+\$1,534,150	+6.88%
1995	\$22,655,425	-\$1,168,970	-5.16%
1996	\$21,983,728	-\$671,697	-3.06%
1997	\$20,940,009	-\$1,043,719	-4.98%
1998	\$19,958,780	-\$981,229	-4.92%
1999	\$20,606,053	+\$647,273	+3.24%



**Statement to the Joint Finance Committee of the Wisconsin State Legislature  
on behalf of the Brown County Taxpayers Association.  
Entered by Thomas G. Sladek, 2634 Sequoia Lane, Green Bay WI 54313-4933.**

To the members of the committee:

I come before you today to speak about a dangerous public policy change included in the Governor's budget proposal. The Brown County Taxpayers Association stands in strong opposition to this proposal and asks that you remove it from the state budget. I am speaking about the granting of state tax money to politicians for use in their campaigns.

We acknowledge there are some problems with election campaign laws. However, in our view the worst possible step that can be taken in the name of campaign finance reform would be to fund campaigns with taxpayer money. This would be a 'solution' which would be far worse than any problem it is intended to fix.

Despite any current problems with campaign finance, the strength of political campaigns should, and typically does reflect the excitement and support generated by the candidate and the ideas for which the candidate stands. That's the way it is, and that's the way it should be. Tax funding of campaigns moves us down the path of assuring that all campaigns have the same resources, even if a candidate is unpopular, poorly qualified, and advocates ideas unsupported by the citizens.

If elections are to reflect the will of the interested people, then involvement in political campaigns must be an individual and voluntary decision. The only certain outcome of tax funding for election campaigns will be that citizens like me will have our money seized, under threat of incarceration, and given to candidates who stand for things we oppose. Nothing in that scenario can be portrayed as just.

We in the Brown County Taxpayers Association are deeply disappointed that the Governor has forwarded this proposal in his budget. Our disappointment extends to members of the legislature who have jumped on this bandwagon with their own proposals to shovel taxpayer dollars into political campaigns. We ask that the legislature remove taxpayer funding of political campaigns from the budget. It would be a horrible misuse of tax funds.

Thank you for your consideration, and for taking the time to come to our county and hear our views.

**Testimony of Robert Chicks**  
**Chairman, Stockbridge-Munsee Community Band of Mohican**  
**Indians**  
**March 26, 1999**

Members of the Committee, my name is Robert Chicks and I am the Chairman of the Stockbridge-Munsee Community Band of Mohican Indians. I am here today to express the Stockbridge-Munsee Indian Tribe's view regarding the State's 2000-2001 fiscal budget. More particularly, I urge the Committee to fulfill the State's promise to allocate the moneys that this Tribe and the State agreed to this past summer, as stipulated in the amendment to the Gaming Compact between the State of Wisconsin and the Stockbridge-Munsee Tribe.

In August, the Governor and I signed an amendment to the gaming compact between the Tribe and the State of Wisconsin. The amendment contains a provision that this Tribe is to make a payment to the State in the amount of \$650,000 in each of the next five years. Notwithstanding that the payment, or tax, violates the Indian Gaming Regulatory Act, the Governor and the Tribe agreed that the Governor would **consult with the Tribe for the distribution of monies paid to the State.**

Unfortunately, the Governor's Native American Initiative contained in the biannual budget was prepared without any consultation with this Tribe. In other words, this Tribe is forced to deal with another broken promise.

This Committee has the opportunity to remedy this. More specifically, this Committee has the power and authority to produce a budget in line with the promises made by the Governor on behalf of the State of Wisconsin to consult with this Tribe.

One such promise involves the use of the monies in accordance with the signed agreement between the State of Wisconsin and this Tribe. Let me share with you some of the key terms of agreement. The agreement states that the monies paid to the State would be used for:

- 1) Economic development initiatives to benefit Tribes and/or American Indians within Wisconsin,
- 2) Economic development initiatives in regions around casinos,
- 3) Promotion of tourism within the State of Wisconsin,
- 4) Support of programs and services in Shawano County, where the Tribe is located,
- 5) Public safety initiatives on the Stockbridge-Munsee Reservation.

The Committee needs to understand that the Governor's Native American Initiative does not come close to fulfilling the obligations that the Governor promised to this Tribe. The Tribe understood that Shawano County, the communities around the reservation, and our tribe were going to benefit directly from the Tribe's payment to the State.

The Governor's Native American Initiative creates no new programs that benefit Shawano County, the communities around our reservation, or our tribe. The Governor's Initiative similarly lacks any substantial increases in the development of existing programs. In fact, many of the monies simply replace existing programs. Of the 31 programs in the Governor's Native American Initiative, only 10 could be considered new programs. Few, if any, abide by the agreement that the State signed with our Tribe.

Today, I invite the Committee to consider using the monies derived from the gaming compacts to fund local government projects that benefit communities around our reservation. Funding local projects is what the Tribe contemplated, and is entirely consistent with the promise made by the Governor in our agreement. Additionally, this solution will not require additional taxes, nor require increases in shared revenue.

My purpose today is not to examine and analyze each program contained in the Governor's American Indian Initiative. I and other Tribal leaders plan on attending future budget hearings to present specific comments and solutions. However, there are two programs in the Initiative that I will comment on today.

One new proposed program in the Governor's Initiative is designed specifically to fight Indian tribes. The Governor's initiative would fund the Department of Justice to hire an attorney to "focus solely on Indian related litigation." I can assure this Committee that when I signed the amendment with the State of Wisconsin, the farthest thing from my mind was to fund an attorney for the State to litigate against Indian Tribes.

Perhaps the money allocated to this program would be better spent hiring a liaison to aid in negotiations and assist in finding solutions that arise out jurisdictional disputes. Negotiation toward agreements between the State, local governments and our Tribe should take the place of costly and divisive litigation. This notion is simply a matter of respect for one another in a government to government relationship.

Our Tribe and the local governments are continuously working toward agreements that benefit our local communities. All though there will always be some differences, we know that many positive developments can and do occur when we work together to find solutions. This respects and honors a long-standing government to government relationship.

Another new program is one that funds 2.5 million dollars in FY 2000 and 5.5 million dollars in FY 2001 to businesses negatively impacted by gaming. I do not know what "businesses negatively impacted" is exactly. I



do know however that business and commerce is booming in our region and around the state. I also know that it is bad policy for the State to encourage businesses to align themselves against Tribal governments.

I believe that this funding should be geared toward assisting business that can benefit and have benefited from gaming. We believe that the State and this Tribe should look at the positive impact of gaming, and build upon that foundation to aid in continued economic development. This approach is consistent with "economic development initiatives" contained in the agreement that I signed with the Governor in August.

This Committee has a great responsibility to uphold the promises made by the State of Wisconsin to this and other Indian tribes regarding the consultation process and the use of the monies from the Indian tribes.

I am also concerned that when the programs and monies contained in the Governor's Initiative are commingled with other state programs and monies, this appears to be more of a general tax, or assessment, which the Indian Gaming Regulatory Act specifically and clearly prohibits.

It is the intention of the Stockbridge-Munsee Tribe, along with the other tribal governments, to submit a more technical analysis of the specific line item proposals in this budget. This Committee should also know that just yesterday, our Tribal Council met with the Shawano County Board and

local town boards to discuss formulation and submission of a joint proposal with specific goals and recommendations that we will submit at a later date. We trust that prior to the time that the final budget is formulated, the formal promise made to this Tribe will be honored. It is imperative that the Tribes play an equal role in these government to government matters, especially when the expenditures of tribally generated revenues are involved.



## Special Report

*Spending Growth Was 1.8%*

## Major Cities Hold Line on Spending

Wisconsin's major cities don't have a spending problem, they have a revenue problem, a study by the Wisconsin Alliance of Cities shows.

The state's major cities held their spending increases to less than 2% overall last year, a review of budgets, levies and state aid data for 39 cities across Wisconsin showed.

Using Department of Revenue figures and reports from the finance directors and comptrollers of the 39 cities, the study found that budgeted general fund spending<sup>1</sup> in the cities increased just 1.87% from 1998 to 1999, and just 2.97% between 1997 and 1998.

The Consumer Price Index, the most widely used measure of inflation, rose 1.6% in 1998 and 2.3% in 1997.

### State Increases Greater

Comparable state general fund spending increased 4.5% from 1996-97 to 1997-98 and 3.6% from 1997-98 to 1998-99.<sup>2</sup>

The local spending restraint occurred as cities struggled to meet demands for improved public services — more police on the beat, improved fire protection, etc — in the face of declining state aid.

Shared revenue, the largest municipal aid program, increased

less than two-thirds of 1% overall in the 38 cities this year, and actually fell more than \$3.5 million for major cities in 1997. The state's shared revenue and expenditure restraint appropriations have been frozen for five years.

The Alliance of Cities is a coalition of 38 Wisconsin cities ranging in size from Milwaukee to Ashland, with a combined population of more than 2 million.

Its survey included all 38 Alliance members and Watertown, a potential member.

### Bright Spots

Bright spots in the fiscal picture: Beloit and Green Bay both cut their levies 1% this year, Marinette cut its levy 0.6%, while levy increases below the rate of inflation occurred in Appleton, Ashland, Merrill and Racine.

Significantly, Appleton, Ashland and Merrill are receiving shared revenue increases of 1.5% to 2.9% this year.

Despite hiring nine firefighters and eight police officers, Madison held its general fund spending to a 1.8% increase.

### Aid Cuts Hit Taxpayers

In 14 of 16 Alliance cities that experienced combined cuts in shared revenue and the expenditure restraint program (ERP), levies rose above the rate of inflation.

In some cities, local officials trimmed their spending to just below the maximum allowed, but in others they restrained spending

even more.

Overall, levy increases were significantly greater than spending increases, underscoring the fact that property taxes are dependent on both spending and state aids.

"When our levy goes up more than twice as fast as our spending, that's a clear indication that we have a revenue problem, not a spending problem," said Ed Huck, executive director of the Alliance.

"Especially when spending is virtually at the rate of inflation," Huck added.

## State Aid Loss 'Directly' Adds to Janesville's taxes

The loss of state aid directly adds to property taxes in Janesville, says Herb Stinski, that city's finance director.

After a meeting between city officials and Sen. Judith Robson (D-Beloit), Stinski compared Janesville's budgets, levies and state aid receipts from 1995 to 1999.

The most glaring year was 1996, when state aid fell \$275,788, and the levy rose \$275,180.

That year city spending increased just \$267,829 in Janesville, a 1.1% budget increase.

"Janesville has experienced very moderate increases in operating and total expenditures," Stinski said in a memo to City Manager Steve Sheffer. "However, the loss of state aid has directly contributed to the increase in the tax levy and rate."

<sup>1</sup> minus debt service in those cities that include debt service in their general fund.

<sup>2</sup> State general fund spending less debt service, adjusted to eliminate the blip caused by the \$200-plus million pension settlement. Source: Legislative Fiscal Bureau.

Welcome new Alliance members: Baraboo, Beaver

Levy, St

Appleton Ashland Beloit Cudahy DePere Eau Claire Fond du Lac Green Bay Greenfield

City	General Fund Spending			Allowable Incr.			Actual Incr.			Local 1997
	1997	1998	1999	97	98	99	97	98	99	
Appleton	\$ 39,708,221	\$ 41,199,127	\$ 42,354,200	4.0	3.8	2.8	3.84	3.75	2.8	Appleton \$ 25,030,900
Ashland	7,438,860	7,533,414	7,710,347	3.1	3.2	2.4	2.71	1.27	2.35	Ashland 1,924,570
Baraboo	6,950,343	7,218,097	7,480,707	4.0	4.4	3.5	3.82	3.71	3.25	Baraboo 3,389,470
Beaver Dam	8,800,357	9,105,928	9,297,073	3.9	3.7	2.1	0.42	3.47	2.10	Beaver Dam 4,163,680
Beloit	24,275,270	24,772,360	25,585,595	4.8	4.0	3.4	4.30	2.0	3.30	Beloit 7,618,440
Cudahy	10,124,264	10,467,484	10,728,925	4.2	3.4	2.5	4.2	3.39	2.5	Cudahy 5,067,700
De Pere	10,125,313	10,140,020	10,837,036	4.6	4.4	3.1	4.6	3.9	3.0	De Pere 2,438,500
Eau Claire	32,821,800	34,359,700	35,388,200	4.8	4.7	3.4	4.25	4.69	2.99	Eau Claire 10,118,500
Fond du Lac	21,249,500	22,159,300	21,358,013	4.5	4.3	3.6	4.49	4.29	3.59	Fond du Lac 11,855,300
Green Bay	60,708,380	62,684,750	64,239,220	3.9	3.7	2.5	2.18	3.28	2.48	Green Bay 31,942,700
Greenfield	18,318,561	18,854,998	17,309,688	3.85	3.3	2.7	NA	3.29	2.63	Greenfield 15,537,800
Janesville	24,337,601	25,385,498	25,877,967	4.8	4.7	2.9	1.46	4.31	1.94	Janesville* 12,527,100
Kaukauna	8,183,422	8,510,688	8,751,266	3.9	4.0	3.6	3.89	3.99	2.82	Kaukauna 3,510,500
Kenosha	44,863,385	46,655,056	47,957,397	4.4	4.0	2.8	4.39	3.99	2.79	Kenosha 25,660,400
La Crosse	35,030,924	36,466,143	37,396,770	3.2	3.4	2.3	3.2	3.4	2.3	La Crosse 16,053,800
Madison	121,702,878	125,422,059	127,676,120	4.2	4.4	3.1	3.71	3.06	1.8	Madison 89,077,800
Manitowoc	18,526,358	18,002,483	19,301,389	4.4	3.9	3.2	3.55	2.57	3.18	Manitowoc 6,981,400
Marinette	10,651,112	10,742,269	10,923,583	3.8	4.1	2.8	NA	0.86	1.69	Marinette 4,138,800
Marshfield	15,207,980	15,654,483	16,017,810	3.8	3.6	2.4	3.6	2.9	2.3	Marshfield 6,601,700
Menasha	12,242,686	12,882,686	13,010,113	4.6	3.6	2.8	3.31	3.51	2.58	Menasha 6,112,500
Merrill	9,207,756	9,298,110	9,154,539	3.4	3.9	2.3	3.12	0.97	1.54	Merrill 2,029,800
Milwaukee	465,921,013	478,702,988	481,209,968	3.0	3.0	1.8	2.77	2.31	0.95	Milwaukee 149,318,800
Monroe	7,191,165	7,464,355	7,656,145	4.1	3.8	2.6	3.9	3.7	2.5	Monroe 3,862,700
Neenah	15,725,697	16,304,040	16,749,030	4.1	4.1	3.0	3.39	3.88	2.73	Neenah 9,829,800
Oshkosh	26,905,444	27,993,690	28,940,974	4.5	4.2	3.4	4.495	4.04	3.38	Oshkosh 14,170,100
Platteville	5,618,749	5,820,345	5,954,211	4.3	3.6	2.3	2.35	3.59	2.3	Platteville 1,628,800
Racine	62,788,784	64,307,539	65,458,853	3.2	3.0	1.9	2.94	2.42	1.79	Racine 33,020,700
Sheboygan	27,664,919	28,100,329	28,516,429	3.8	3.3	2.5	-0.19	1.57	1.48	Sheboygan 14,675,700
Stevens Pt	15,158,092	15,798,504	16,281,504	4.2	4.7	3.1	3.8	4.19	3.06	Stevens Pt 8,675,200
Superior	19,087,510	19,632,846	20,140,718	3.5	3.4	2.6	3.48	2.88	2.6	Superior 7,869,400
Two Rivers	8,665,464	9,175,739	9,385,871	3.5	3.9	2.5	3.483	3.50	2.29	Two Rivers 2,808,200
Watertown	10,808,023	11,270,681	11,411,918	4.7	4.3	2.6	4.68	4.299	1.3	Watertown 4,919,500
Waukesha	35,538,167	36,751,158	37,965,868	3.9	4.1	3.6	3.74	3.41	3.3	Waukesha 25,009,400
Wausau	21,365,173	21,700,000	23,556,334	3.7	3.7	2.9	3.36	3.68	1.8	Wausau 7,550,400
Wauwatosa	38,282,956	37,892,273	38,297,330	3.3	3.2	1.9	2.75	3.04	1.61	Wauwatosa 24,835,700
West Allis	41,532,615	42,731,408	43,586,647	3.1	3.0	2.0	2.8	2.89	2.0	West Allis 24,422,000
West Bend	15,080,271	15,741,541	16,195,426	4.6	4.4	2.9	4.58	4.38	2.88	West Bend 9,851,100
Whitewater	6,735,949	7,565,073	7,397,823	NA	NA	NA	NA	NA	NA	Whitewater 1,269,800
Wis. Rapids	13,092,335	13,614,501	14,061,542	3.7	4.7	3.4	3.3	4.0	3.3	Wis. Rapids 6,257,300
total	\$ 1,373,831,297	\$ 1,414,681,683	\$ 1,441,102,567							total \$ 641,754,000
median chg.				3.9	3.9	2.8	3.51	3.44	2.49	median chg
overall change		2.97%	1.87%							overall change

Data compiled from members and the

WISCONSIN ALLIANCE FOR OPEN GOVERNANCE

Revenue Survey

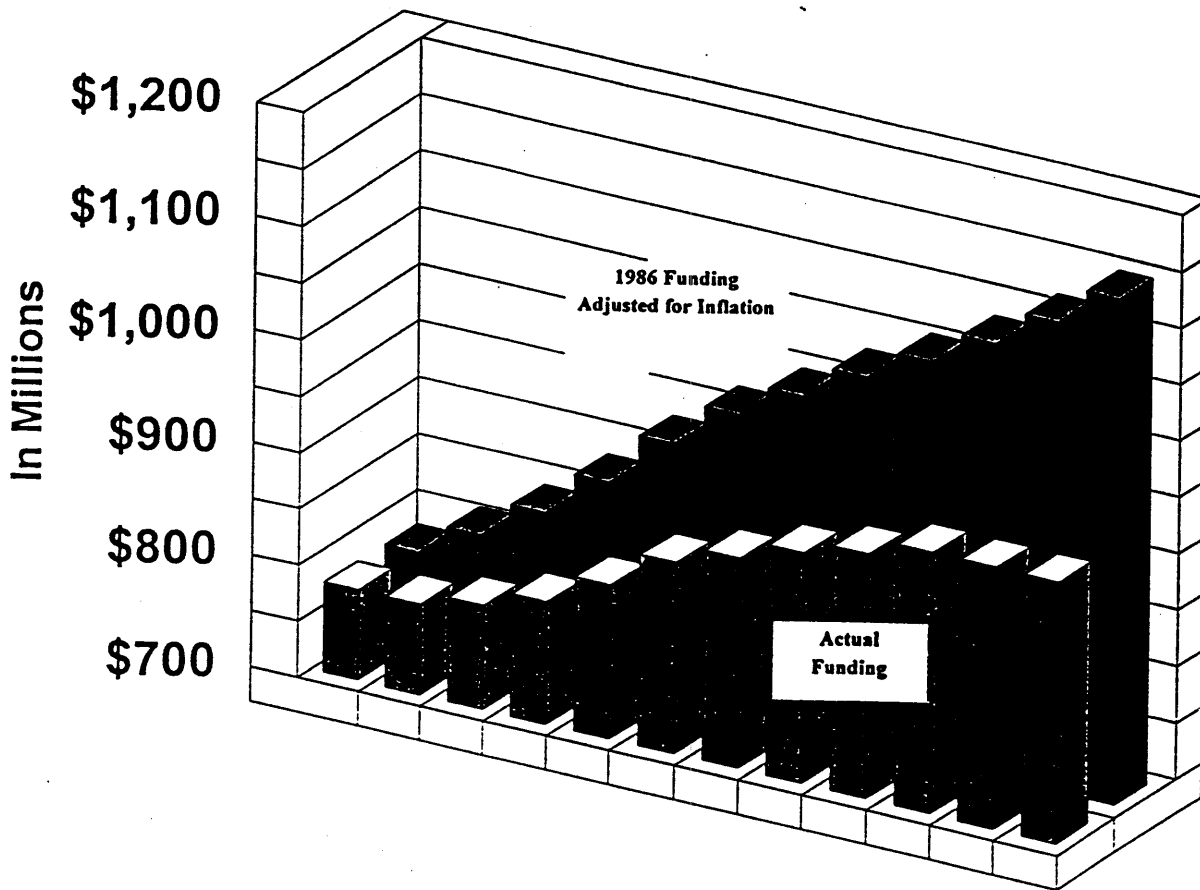
Purpose Levy		Shared Rev. Received			Expenditure Restraint \$ Rec'd			
1998	1999	1997	1998	1999	1997	1998	1999	
\$ 24,986,883	\$ 25,158,220	\$ 10,996,207	\$ 11,227,556	\$ 11,549,803	Appleton	1,657,148	1,554,038	1,399,498
1,908,878	1,936,503	3,620,056	3,697,364	3,803,238	Ashland	153,936	118,185	92,214
3,588,510	3,741,117	1,772,690	1,701,378	1,818,569	Baraboo	187,039	213,869	211,590
4,390,019	4,799,870	2,524,434	2,415,622	2,295,150	Beaver Dam	184,208	179,785	176,602
6,567,140	8,478,330	15,196,755	15,529,955	15,827,090	Beloit	424,489	452,231	504,055
5,604,719	5,833,067	3,724,752	3,805,640	3,913,174	Cudahy	238,875	231,447	264,242
2,410,991	2,657,592	2,249,975	2,138,445	2,035,494	De Pere	151,021	92,884	55,808
11,737,000	13,284,000	10,373,355	9,867,800	9,376,300	Eau Claire	400,654	418,000	400,000
12,503,766	13,071,282	6,911,398	6,933,030	6,800,849	Fond du Lac	719,486	618,477	618,345
35,184,840	\$ 34,843,570	19,237,080	18,315,283	18,833,775	Green Bay	1,655,975	1,643,992	1,772,280
16,095,697	16,533,865	1,799,537	1,709,736	1,624,046	Greenfield	931,927	902,069	890,814
13,284,398	14,351,119	6,982,476	6,643,759	6,312,401	Janesville	470,307	364,319	339,919
3,701,753	3,913,392	2,203,504	2,256,687	2,321,822	Kaukauna	162,254	168,634	172,137
27,626,570	28,928,167	14,708,453	14,973,004	14,548,000	Kenosha	1,720,535	1,763,934	1,860,000
17,891,445	19,634,934	9,957,196	10,159,909	10,466,933	La Crosse	955,644	998,759	1,113,023
94,195,456	98,645,938	12,021,874	11,507,278	10,960,753	Madison	5,121,269	5,111,298	5,052,064
7,371,457	7,834,841	7,150,812	6,858,014	6,745,746	Marinowoc	186,373	190,375	185,071
4,181,770	4,136,956	4,245,065	4,328,493	4,450,163	Marinette	none	none	288,762
6,827,583	7,529,344	4,777,008	4,831,384	4,970,936	Marshfield	449,555	406,305	402,243
6,454,078	6,796,387	3,372,249	3,443,827	3,543,213	Menasha	373,511	401,451	412,784
2,434,956	2,464,415	3,306,609	3,236,867	3,284,932	Merrill	none	127,245	123,832
147,089,358	153,585,037	234,479,179	239,419,502	240,600,000	Milwaukee	8,704,615	8,535,415	7,290,000
4,019,045	4,160,390	1,396,822	1,385,278	1,413,000	Monroe	209,877	216,622	215,000
10,453,580	10,860,990	2,486,130	2,361,523	2,268,195	Neenah	554,029	586,645	584,063
15,222,562	15,969,768	10,562,590	10,785,355	11,098,000	Oshkosh	522,343	614,655	640,000
2,037,761	2,154,132	2,559,831	2,534,440	2,569,490	Platteville	none	60,734	94,748
33,858,518	34,246,404	24,237,527	24,751,019	24,450,000	Racine	2,810,649	2,699,722	2,705,000
15,243,358	15,832,558	11,406,495	11,338,935	11,486,666	Sheboygan	904,304	841,365	807,847
9,050,862	9,303,110	3,947,989	4,032,410	4,147,513	Stevens Pt	588,531	550,510	524,718
8,115,777	8,585,858	7,451,500	7,608,359	7,826,923	Superior	535,121	523,681	493,822
2,923,239	3,142,183	3,608,034	3,684,613	3,790,779	Two Rivers	119,429	123,205	118,332
5,051,971	5,493,034	3,652,421	3,469,913	3,569,137	Watertown	208,848	194,687	167,804
27,130,555	28,045,120	3,170,974	3,010,231	2,862,835	Waukesha	1,363,037	1,458,532	1,539,801
7,813,882	8,183,838	5,505,349	5,428,684	5,498,415	Wausau	516,729	652,539	661,510
25,430,457	26,292,387	1,560,915	1,484,201	1,423,828	Wauwatosa	1,328,968	1,322,177	1,252,398
25,096,097	25,963,789	8,315,000	8,477,000	8,720,000	West Allis	1,550,000	1,496,000	1,468,000
10,452,298	11,194,315	2,273,272	2,159,878	2,051,785	West Bend	505,873	491,409	497,463
1,609,063	1,705,224	3,736,739	3,756,336	3,753,097	Whitewater	none	none	none
6,522,212	7,134,954	4,610,958	4,655,594	4,546,937	Wis. Rapids	480,474	429,546	409,716
\$ 667,828,304	\$ 696,426,980	\$ 482,093,229	\$ 478,315,742	\$ 479,530,042	total	\$ 37,045,028	\$ 36,750,661	\$ 35,815,301
4.4%	4.6%		-0.15%	0.90%	total change		-0.79%	-2.55%
4.08%	4.28%		-0.78%	0.25%				

Superior Two Rivers Waukesha Wausau Wauwatosa West Allis West Bend Wisconsin Rapids

Wisconsin Alliance of Cities  
 State Department of Revenue  
 Rich Eggleston

14 W. MIFFLIN • P.O. BOX 336 • MADISON, WI 53701-0336  
 (608) 257-5881 • FAX 257-5882 • EMAIL: wiscall@inxpress.net

# SHARED REVENUE APPROPRIATIONS ACTUAL COMPARED TO INFLATION-ADJUSTED



lgk/jan97/srhist



**WISCONSIN ALLIANCE OF CITIES**

14 W. MIFFLIN • P.O. BOX 336 • MADISON, WI 53701-0336

TO: MAYOR JAMES SCHRAMM

FROM: RICH GEBHART, FINANCE DIRECTOR

DATE: MARCH 24, 1999

SUBJECT: SALES TAX/INCOME TAX PROPOSALS

The Alliance of Cities requested last fall that the State allow for municipalities to have local option taxes that they could use to supplement the Shared Revenue payments. The Alliance requested this year that appropriations for Shared Revenues be increased by 3% per year. The Governor's proposed budget includes neither.

Recent proposals from Madison legislators have suggested that local governments have the option of collecting sales tax and income tax at the local level. The intent of these alternative revenue sources would be to replace Shared Revenues or to substitute for a portion of the property tax, depending on the proposal.

Collecting the sales tax or income tax on a local basis would create variances based on who has large retail and industrial centers and who has very little. Also, a community's bond rating may be lowered because of the risk of a local economic downturn, such as a prolonged strike at a major employer. This could be financially devastating if the sales tax or income tax is based on a single community. But if it was averaged on a statewide basis, a local economic downturn would have minor impact on the community's revenues.

Maintaining the collection of sales tax and income tax on a statewide basis would allow for a more efficient collection system and would not create various rates in the State that could cause confusion for the Wisconsin citizens.

Allocating a percentage of the sales tax and income tax collections for distribution to municipalities (such as 9% of each tax) would take the risk off of the State in years of declining revenues and would allow the municipalities to share in the risks/rewards of economics.



February 22, 1999

The Honorable Tommy Thompson  
State Capitol  
P. O. Box 7863  
Madison, WI 53707-7863

Dear Governor Thompson:

I had the opportunity to review the components of your proposed state budget and feel compelled to comment on the negative impact I feel this budget will have on Wisconsin cities. Initially, I must state that I view Wisconsin cities as the lifeblood of our state. Cities provide many of the services that Wisconsin taxpayers are dependent upon, but yet, are the frequent recipients of unfunded mandates and are left to compete with each other under the state shared revenue payment formula.

Your proposal to freeze shared revenue and expenditure restraint payments will have a devastating effect upon Wisconsin cities. For example, in the last 3 years, the City of Sheboygan has **increased spending** within its General Fund at an average annual rate of **less than 1%** - far below the Expenditure Restraint formula guidelines which averaged 3.2% for those same years. However, during that same three year period, Sheboygan's **shared revenue payments have decreased at an average annual rate of -1.1% while expenditure restraint payments have decreased even more - at an average annual rate of -3.3%.** These reductions in state aids have resulted in our tax levy replacing state aids as the **primary source of revenue for our city!!** I fear that a freeze in shared revenue and expenditure restraint payments - especially during a time when cities such as Sheboygan have exhibited control over their spending - will seriously jeopardize the future plans and programs of our communities.

Your proposal to expand computer tax exemptions and reduce recycling grant payments are two additional unfunded mandates which we can add to the long list of unfunded mandates which the Wisconsin Alliance of Cities identified for the Joint Finance Committee in 1995. The cost of these unfunded mandates negatively impacts not only city operations, but also those of Wisconsin counties and schools.

A final concern resides in the establishment of the \$5 million Clean Water Loan fund rather than the \$100 million fund which was requested. I fear that Wisconsin may jeopardize its past successes and impede future clean water programs and projects unless this loan fund is substantially increased from the \$5 million level.

OFFICE OF MAYOR  
CITY HALL  
28 CENTER AVE.  
SHEBOYGAN, WI  
3081-4495  
20/459-3317  
AX 920/459-0256



I realize that it may be difficult for any Governor to fully meet the needs of Wisconsin cities. However, please understand our frustration. We request additional state aid and instead receive more personal property tax exemptions. We seek mandate relief and instead face an unfunded recycling mandate.

I would appreciate the opportunity to speak with you regarding these issues and will be contacting you in the near future to request a meeting. Hopefully, several other Mayors will join me in that meeting. I look forward to your response and to further discussing these issues with you.

Sincerely,

James R. Schramm  
Mayor

JRS: jg

cc: State Senator James Baumgart  
State Representative Joseph Leibham  
State Representative Steven Kestell  
Ed Huck, Wisconsin Alliance of Cities



**First  
Northern  
Savings Bank<sup>S.A.</sup>**

CORPORATE OFFICES

201 N. Monroe, Box 23100

Green Bay, WI 54305-3100

(920) 437-7101

**Testimony of Michael D. Meeuwsen  
President & CEO - First Northern Savings Bank  
Before the Joint Finance Committee  
Green Bay, Wisconsin  
March 26, 1999**

**OPPOSITION TO: COMBINED REPORTING TAX**

**Background:**

The 1999-2001 Wisconsin Budget Bill (AB 133, SB45) includes a combined reporting tax that will have a major impact on Wisconsin Businesses with out-of-state operations. According to the Wisconsin Department of Revenue, switching to a combined reporting tax scheme will generate an estimated \$70 million in tax revenue.

Currently, Wisconsin used a separate reporting method of calculating business taxes, meaning that an out-of-state affiliate of a Wisconsin business is not taxed under Wisconsin law. Under combined reporting, financial institutions will no longer be able to shelter investment income from Wisconsin taxes.

**Reasons for Opposition:**

1. **BAD FOR BUSINESS:** If implemented, combined reporting could very well have a catastrophic impact on the Wisconsin economy. It will destroy Wisconsin's pro-business climate in reality and reputation.
2. **IT'S REGRESSIVE:** The last state to enact combined reporting was Minnesota in 1986. Of the 39 states with combined reporting, only 15 make it mandatory. The other 24 states allow combined reporting at the election of the business taxpayer. The current trend among states is to move away from mandated combined reporting.
3. **FEWER WISCONSIN JOBS:** Combined reporting will cost more than Wisconsin's business-friendly reputation; it will cost jobs. According to the Raabe study, tax policy should attract new investments, not chase them away. Raabe also says: "Taxpayers disadvantaged by a move to combined reporting are likely to move physical, financial and human capital out of state, in managing their tax costs."
4. **PAYING OUR FAIR SHARE:** Wisconsin currently has the 12<sup>th</sup> highest business taxes in the nation, according to the US Census Bureau. According to Sheshunoff Information Services, Wisconsin banks and thrifts paid nearly a half-a-billion dollars (\$478,069 million) in taxes in 1997. The facts also show that there has been a steady increase in taxes paid by Wisconsin banks and thrifts during the last decade. Wisconsin financial institutions are subject to the second highest tax rate when compared to Illinois, Iowa, Michigan and Minnesota, our neighboring states.
5. **TAX SHIFT AT BEST:** In the 1999-2001 budget bill, combined reporting off sets the cost of switching to a single-sales factor apportionment formula. That makes combined reporting a tax shift at best, not a tax cut as Gov. Thompson had originally announced. With a strong Wisconsin economy and with the Fiscal Bureau projecting a \$481 million revenue surplus, government should be proposing an honest tax cut. Wisconsin business and employees have benefited from the State's pro-business, pro-growth policies. Why would Wisconsin want to jeopardize our strong economy?

Sincerely,

FIRST NORTHERN SAVINGS BANK

Michael D. Meeuwsen  
President & Chief Executive Officer

Ashwaubenon  
Kiel

Brillion  
Marinette

Crivitz  
New Holstein

De Pere  
New London

Green Bay  
Peshtigo

Hortonville  
Shawano

Howard  
Sturgeon Bay

GOOD MORNING SENATORS, REPRESENTATIVES LADIES, AND GENTLEMEN. MY NAME IS SCOTT SHARP. I AM THE VICE-PRESIDENT OF AFSCME LOCAL 67. I WORK FOR THE CITY OF RACINE IN THE DEPARTMENT OF PUBLIC WORKS FOR THE PAST 22 YEARS. I ALSO HOLD THE OFFICE OF TREASURER OF AFSCME WISCONSIN COUNCIL 40 AND REPRESENT OVER 30,000 MEMBERS THROUGHOUT THE STATE OF WISCONSIN.

I COME BEFORE YOU TODAY TO DISCUSS SEVERAL TOPICS OF GOVERNOR THOMPSON'S BUDGET AND COUNCIL'S 40 POSITION ON THESE ISSUES.

1) TRANSPORTATION EQUITY

A FAIR SYSTEM OF REVENUE DISTRIBUTION IS NEEDED TO FUND LOCAL GOVERNMENT TRANSPORTATION PROJECTS AND KEEP COSTS OFF THE PROPERTY TAX. WE SUPPORT LOCAL GOVERNMENT'S CALL FOR A TWO-THIRDS LOCAL SHARE OF TRANSPORTATION REVENUES, INCREASING FROM THE CURRENT 40% LEVEL.

LOCAL ROADS AND STREETS ACCOUNT FOR ABOUT 90% OF MILEAGE IN WISCONSIN, YET THEY HAVE SEEN A DECLINE IN FUNDING. ACCORDING TO THE LEGISLATIVE AUDIT BUREAU, FOR THE PERIOD FROM 1987-1997 THE STATE SHARE OF LOCAL FUNDING HAS DECLINED FROM 30.4% TO 26.1% FOR COUNTIES AND 24.3% TO 20.8% FOR MUNICIPALITIES. THAT IS WHY WE ENDORSE SENATOR BURKE'S TRANSPORTATION FUNDING INITIATIVE AS A FIRST STEP IN THIS PROCESS.

2) PROPERTY TAX RELIEF WE BELIEVE THAT SHARED REVENUE AND EXPENDITURE RESTRAINT PROGRAMS SHOULD BOTH RECEIVE 3% INCREASES TO RESTORE EQUITY TO THESE PROGRAMS. SHARED REVENUE HAS BEEN FROZEN SINCE 1994. WE ARE IN A PERIOD WHERE IT MAKES SENSE TO INVEST IN THE PUBLIC INFRASTRUCTURE THAT FUELS ECONOMIC DEVELOPMENT. YOU MAY NEED TO LOOK AT EXPANDING LOCAL GOVERNMENT REVENUE OPTIONS, BUT IT MUST BE DONE IN WAYS THAT TAKE INTO ACCOUNT THE REVENUE CAPACITIES OF VARYING COMMUNITIES. IT MAY ALSO BE NECESSARY

TO ADJUST THE TWO-THIRDS SCHOOL FUNDING COMMITMENT SO THAT <sup>state</sup> TAX PAYERS DO NOT CARRY THE LOAD OF BUILDING AND PROGRAM EXPANSION.

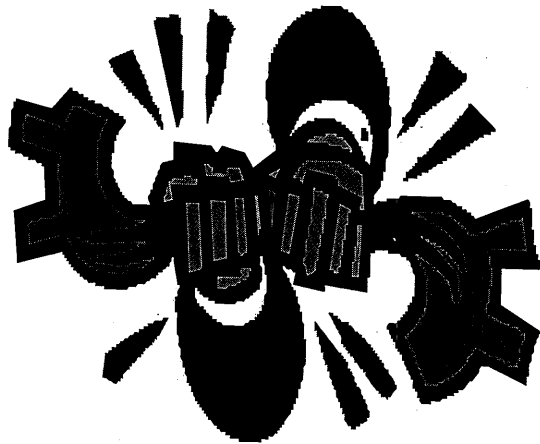
3) RECYCLING FUNDING RECYCLING PROGRAMS AND MARKET DEVELOPMENT SHOULD BE FULLY FUNDED <sup>THRU</sup> ~~THROUGH~~ TIPPING FEES OR OTHER VOLUME AND USE-RELATED FEES. WISCONSIN SHOULD BE IN A POSITION TO CAPTURE REVENUE FROM THE OUT OF STATE WASTE THAT THE COURTS TELL US WE CANNOT BAN. IN ADDITION, THIS REVENUE NEEDS TO BE COLLECTED ON A STATEWIDE BASIS AND EQUITABLY DISTRIBUTED SO THAT POOR COMMUNITIES ARE NOT DISADVANTAGED AND SO TIPPING FEES ARE ROUGHLY EQUALIZED. IF THIS DOES NOT HAPPEN THE ONLY FUNDING SOURCE LEFT WOULD BE THROUGH A PROPERTY TAX INCREASE . THAT CHOICE WOULD NOT BE A POPULAR ONE WITH THE CITIZENS OF WISCONSIN.

4) MUNICIPAL SERVICE FEE PAYMENT FOR SERVICES THAT ARE CLEARLY RELATED TO PROPERTY OWNERSHIP SHOULD BE REQUIRED OF TAX-EXEMPT PROPERTIES. SOME COMMUNITIES HAVE A SHRINKING TAX BASE BECAUSE OF THE LARGE NUMBER OF NON-PROFIT INSTITUTIONS IN THEIR INNER CORES. AFSCME HAS ALWAYS BELIEVED THAT LABOR FACILITIES SHOULD PAY SUCH FEES, IF OTHER FRATERNAL AND CHARITABLE INSTITUTIONS ARE PUT IN THE SAME POSITION. WE URGE YOU TO DISPOSE OF THIS ISSUE ON A STATEWIDE BASIS BY ENACTING SERVICE FEES.

IN CLOSING I WANT TO THANK-YOU FOR THE OPPORTUNITY OF ALLOWING ME TO COME BEFORE YOU TODAY AND STATE AFSCME'S POSITION ON THESE VERY IMPORTANT ISSUES.

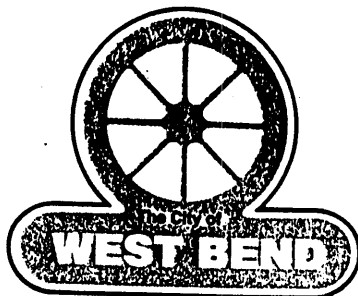


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Good Afternoon

I am Michael Miller, the Mayor of West Bend, a position I have held for the past 12 years. I am past president of the League of Wisconsin Municipalities, a board member of the Alliance of Cities, a member of the steering committee of SEME, which is an organization of all the cities and villages in Milwaukee, Waukesha, Ozaukee and Washington Counties. I am sorry for the long-list of affiliations, but I wanted you to be aware that I have many opportunities to talk to elected officials throughout the state and the general theme of those talks has been about how our legislators in Madison have forgotten about local units of government.

I am pleased to be here with members of the Town's association, the county association and fellow mayors and village presidents with a united message that the State of Wisconsin must stop dumping on local units of government. We are the units of government that have taken the risks to create industrial parks, office parks and shopping centers to provide more and better employment for our citizens and also places for them to shop. We, quite frankly, are the reason that the state's economy is where it is today. But we need the state's help to maintain the level of services we provide to our taxpayers and to continue to provide economic development that will keep our state strong.

Our message is really simple, the State of Wisconsin should return more of the state's revenues that we create back to the local taxpayers, the mom and pop home owners and our businesses. We are asking the state to do that in 5 ways:

1. Increase the amount of money for shared revenues and change the formulas so that all recipients remain whole and have at least a cost of living increase. Had the City of West Bend continued to receive the amount of shared revenue that we received the year I was elected mayor we could have reduced our property tax levies by almost \$3,800,000 (\$3,794,429) over that time period. This is without an inflation factor. (Please see my handout for details).
2. Provide real property tax relief by increasing segregated funding for local transportation aids and assistance programs by 6% in each year of the biennium and also exempt all local jurisdictions from the state tax on motor fuel. (Also see handout for details).

3. Increase the youth aids appropriation and I again have a handout to provide the specifics.
4. Increase the community aids in each year of the biennium. I have a handout for their proposal.
5. Provide property tax relief by allowing county governments to retain court fees, placing additional money for circuit court supports and others as outlined in the last of my handouts.

If these 5 areas of concern were addressed the citizens of Wisconsin would see true tax relief. Under the current budget proposals our City of West Bend taxpayers will see a tax shift from a reduction in income tax to an increase in property tax.

In conclusion I am not opposed to taking the blame for property tax increases that I am responsible for, but I am tired of taking the blame for state imposed property tax increases.

Thank you for your time.

Michael R. Miller  
Mayor, City of West Bend

## Partners in Local Government

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### SHARED REVENUE

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#### Recommendations:

State government should maintain the historic partnership between levels of government in providing services to Wisconsin citizens by:

- Providing, at a minimum, inflationary increases to counties and municipalities for shared revenue, expenditure restraint, county mandate relief and the small municipalities' shared revenue programs.
- Creating incentives for counties to control spending along the lines of the expenditure restraint program.

#### Background

Shared revenue — the only county and municipal program that bases its distribution on equalization — has only twice since 1985 received a funding increase at or above the rate of inflation. The last time was in 1990 with the introduction of the expenditure restraint program. Further, the Legislature and the governor have created a tight fiscal situation for the state by approving increased corrections spending and adopting a policy of funding K-12 education at two-thirds of costs.

In the beginning of the shared revenue program, the state kept 10% of the revenue it raised and returned 90% to local governments, a total that included slightly more than 25% of the income tax, a good portion of the corporate income tax and between 11% and 20% of vehicle registration fees.

But by 1988-89, shared revenue accounted for only 14.5% of general fund expenditures, according to the Legislative Fiscal Bureau. A decade later, the program's share of GPR had shrunk to 10%.

In the same period, K-12 education increased from 27.4% of the general fund budget to 39.5%, and corrections increased 160.1%, to a \$378.2 million draw on state tax dollars.

If shared revenue had increased at the rate of inflation over the past decade it would be an \$85.1 million larger program. Had it maintained its 1988-1989 share of the state budget, it would be \$447.9 million larger.

The effects of this shift in state priorities are felt in county and municipal budgets every year. The number of municipalities subject to the shared revenue formula's 5% "hold harmless" in 1999 is 699, and the number of counties that have been told they will be hit by the hold harmless is 43. Similarly, 491 municipalities and 17 counties have had their shared revenue payments capped — at a 2.9% increase for municipalities and a 3.6 % increase for counties.

In all, 64% of municipalities and 83% of counties are affected by hold harmless and caps. The longer shared revenue funding is frozen, the more equalization is hampered by the hold-harmless provision.

#### The governor's budget

Gov. Tommy Thompson's proposed 1999-2001 state budget would not provide any increases in shared revenue, expenditure restraint, county mandate relief, small municipalities shared revenue or payments for municipal services.

The budget would, however, provide a new exemption from local property taxes for fax machines, copiers, cash registers and automated teller machines, effective Jan. 1, 2000. That would remove an estimated \$490 million worth of property from local tax rolls, and shift an estimated \$12 million in property taxes to other taxpayers. ■



# TRANSPORTATION AID

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## Recommendations

The Legislature and Governor should provide property tax relief to communities for transportation-related infrastructure improvements by increasing transportation aids to local governments.

- **Increase segregated funding for local transportation aid and assistance programs<sup>1</sup> by 6% in each year of the biennium. Distribute the additional funding to these programs in the same proportions as the current state budget - 74% for local transportation aid programs, 6% for local transportation project assistance, and 20% for local transit aids.**
- **Exempt all local jurisdictions from the state tax on motor vehicle fuel.**
- **Eliminate the proposed DOT budget provision which would charge local governments a processing fee for each court ordered drivers license suspension for failure to pay a forfeiture that was imposed for violating an ordinance unrelated to the operation of a motor vehicle.**
- **Provide a hold-harmless for municipalities that would lose aid under the proposed limit for traffic police costs.**
- **Continue to apply federal maintenance aid as operating assistance for mass transit assistance.**

## Background

Travel on local roads currently accounts for nearly half of all vehicle miles traveled. At present local jurisdictions receive only 29% of segregated transportation fund revenues for general transportation aid and 7.5% for mass transit operating assistance.

As reported by the Legislative Audit Bureau, state aid payments as a percent of local transportation costs have fallen gradually since 1989 as local costs outpaced both aid appropriations and inflation. Local aid as a percentage of the state Transportation Fund has declined from 41.2% in 1997 to 40.8% in 2000, under the 1997-99 budget act.

Mass transit federal shares have been cut significantly. Despite the dramatic growth in the size of urban service areas, mass transit has not received the funding it needs to increase levels of service. This has made it difficult for workers without cars to reach jobs. The need for improved transit has grown under Governor Thompson's W-2 welfare-to-work program.

## Governor's budget proposal

Would increase general transportation aids and mass transit assistance by 3% in calendar year 2000 and 0% in 2001. Would limit aid for traffic police costs based on a percentage of total eligible police costs as determined by the department with county and municipal input. Would provide that no municipality may receive a decrease in aid in excess of 2% of its previous year amount. Would charge local governments a processing fee for court-ordered drivers-license suspension for violating municipal ordinances.

■

<sup>1</sup>Note - Local Transportation Aids include: General Transportation Aid, Connecting Highway Aid, Flood Damage Aid, Lift Bridge Aid, County Forest Road Aid, Expressway Policing Aid, Demand Management & Ridesharing. Local Transportation Assistance includes: Highway & Local Bridge Improvement, Local Road Improvement. Local Transit Aids include: Mass Transit Operating Assistance, Elderly & Disabled County Aid, Elderly & Disabled Capital Aid.

## YOUTH AIDS

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### Recommendations:

#### *Short-Term*

- Increase the Youth Aids appropriation over the 98-99 base by 5% in each year of the biennium;
- “re-link” in the statutes juvenile corrections rate increases with the requirement that the state increase the Youth Aids appropriation to cover the rate increases; and
- update the current formula and hold harmless counties who lose funding under the update.

#### *Long-Term*

- Require DOC to convene a committee of legislators, county representatives and DOC staff to develop a recommendation for a new Youth Aids funding formula and require that the new formula be used to distribute Youth Aids funding in CY 2001 and
- require as part of that group’s work to include the creation of an “education credit” for counties that would be created by a transfer of funds from Department of Public Instruction to DOC that would be sufficient to cover instructional costs for the juvenile corrections populations. That credit would be provided to counties based on their annual JCI census.

### Background:

The Youth Aids audit, released this year by the Legislative Audit Bureau, showed that in 1982 the Youth Aids appropriation funded 92% of all county costs for serving juvenile offenders.

By 1997, it paid for only 45% of the costs. Counties were contributing \$100 million, primarily from property taxes, to fund 55% of the state-mandated program.

In the same year, the state Youth Aids appropriation to counties was \$82.3 million.

Youth Aids provides counties with funding to partially pay for mandated services under Chapter 938 to juvenile offenders and their families. Services are almost exclusively court-ordered and are intended to rehabilitate the juvenile offender, address the concerns of victims and protect the community.

Between 1988 and 1997, local costs for the program grew rapidly due to a 55% increase in juvenile offenses statewide, stagnating Youth Aids increases and increased costs of services fed by institutional rate increases, increased populations, increased out-of-home placements and inflationary costs for services.

### Governor’s budget proposal:

Base funding for Youth Aids for 1998-99 is \$82.2 million. The governor’s budget would increase the appropriation by 2% in each year of the biennium, with a total GPR increase of \$6 million. JCI rates increase from \$159.46 to \$159.62 over the biennium. No formula changes are proposed.

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**COMMUNITY AIDS**

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**Recommendations:**

- **Increase the Community Aids appropriation by at least 3% in each year of the biennium;**
- **Delete the statutory requirement for performance measures under Community Aids and the reference to withholding \$9 million over the biennium;**
- **Delete the DHFS authority to transfer Community Aids into Family Care, instead require DHFS to negotiate with individual pilots to determine the amount to be transferred in contract; and**
- **Delete the statutory requirement to reduce a county's Community Aids if a former recipient of services funded by the allocation is a participant in the MA purchase plan, which would be created in the governor's budget bill.**

**Background:**

Community Aids provides counties with funding to partially pay for mandated services to abused and neglected children and their families, adults with serious and persistent mental illness, older adults, adults and children with developmental disabilities, and older adults.

The primary funding under Community Aids is the Basic County Allocation which is made up of four different sources of federal revenue (Social Service Block Grant, Temporary Assistance to Needy Families, Title IV-E reimbursement for foster care and Medical Assistance targeted case management funding) and state general purpose revenue (GPR). Counties are required to provide 9.89% local match for Community Aids.

Community Aids funding has either been frozen or decreased over the past two budget biennia. This and local funding pressures, including increasing client populations and increased costs for services, have pressured counties to "overmatch" Community Aids substantially, with a total of \$252.6 million of county tax dollars going to match and overmatch Community Aids by 1997. That amount is greater than the \$175 million in GPR in Community Aids for the same year.

**Governor's budget proposal:**

Base funding for Community Aids for 1998-99 is \$305.4 million. Funding under the governor's budget would be \$294.2 million and \$289 million, respectively in each year of the budget biennium, representing a 2.5% and a 1.8% reduction.

The budget also would transfer \$14.3 million over the biennium into Family Care. Further, it proposes **withholding \$9 million over the biennium**, distributing that amount to counties based on performance requirements.

Finally, it proposes **reducing each county's appropriation by an amount to be determined by DHFS** when a county is providing services funded by Community Aids to a consumer with a disability who will receive services under the proposed MA purchase plan.

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**STATE COURT SYSTEM**

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**Recommendations:**

- **Amend state statutes to return all dollars collected by the court support filing fee to counties.**
- **Phase in county retention of all fees collected locally by the Clerk of Circuit Court to help finance court related expenses (this excludes the circuit court support fee and fees that must be placed in the Common School Fund).**
- **Place enough additional money in the Circuit Court Support Grant appropriation to make up for further shortfalls.**
- **Provide state public defender representation for parents in CHIPS cases (removed in the 1995-97 state biennial budget).**
- **Provide state public defender representation for all persons found to be indigent.**

**Background:**

The state court system continues to be one of the largest unfunded mandates placed on county government. According to annual reports filed with the Director of State Courts office, counties spent almost \$90 million in calendar year 1997 on items eligible for reimbursement under the Circuit Court Support Grant appropriation.

Counties also spend additional dollars on items not recognized by the Circuit Court Support Grant program including courtroom

security, rent, maintenance, utilities and indigent defense.

During the 1993-95 state biennial budget, the circuit court support grant program was created as the first step in the state assuming responsibility for financing the state court system. The state funded the program with a \$20 court filing fee. The state, once again, took additional responsibility for financing the court system by increasing the fee to \$40 (\$30 for small claims and \$100 for large claims) during the 1995-97 biennial budget deliberations and increasing the amount distributed to counties under the program to \$16,489,600. In the 1997-99 state biennial budget bill, the state failed to keep its commitment to incrementally pick up court costs by freezing the circuit court support grant appropriation.

During calendar year 1998, counties turned over to the state \$25,481,400 in court support services fees. However, only \$16,489,600 was distributed to counties to offset county costs associated with the operation of the state court system under the circuit court support grant program and \$4,738,500 was distributed to counties to offset costs associated with guardians ad litem. The remaining \$4,253,300 lapsed to the general fund.

**Governor's Budget Proposal:**

The governor's budget freezes the amount distributed to counties under the circuit court support grant program at \$16,489,600 and \$4,738,500 for guardian ad litem reimbursements.

■

Loss of Shared Revenues from the 1987 Base When I was Elected Mayor

<u>YEAR</u>	<u>SHARED REV. LOSS</u>	<u>EXPENDITURE RESTRAINT</u>	<u>TOTAL LOSS</u>
1988	105,936		105,936
1989	141,375		141,375
1990	160,070		160,070
1991	159,553	304,031	(144,478)
1992	656,259	285,237	371,022
1993	625,955	316,806	309,149
1994	670,726	453,319	217,407
1995	787,994	497,606	290,388
1996	913,892	511,058	402,834
1997	1,033,464	505,893	527,571
1997	1,147,057	491,409	655,648
1998	1,254,970	497,463 estimated	757,507
	7,657,251	3,862,822	3,794,429

*Kim*

To The Honorable Joint Committee on Finances April 8, 1999  
By: James H. Harris, 4001 67th Drive, Union Grove, WI 53182 414-878-1663

CITIZEN FRIENDLY TAX FORMS

The complexity and poor organization of the State of Wisconsin Income Tax Forms and Directions is a disgrace. Federal Forms are much easier to follow. I really don't mind paying the taxes but the directions are horrendous to deal with.

They should be written in a manner easily understood and followed by an 8th grade student, not by a very bright MBA or CPA.

In fact, I believe a testing program should be developed that state legislators, their staff and tax department employees all be required to fill out a typical farm or small business WI State income tax form before they can be sworn in next time or get a raise.

Then the form be further improved to be followable by a high school senior and on to an 8th grade student's math test.

When this is done we will have solved two problems, the second being we will have students who can read, write, add and subtract.

SECONDLY-- The \$500 capital gains write off limit is archaic - too small and too complicated. It too must be brought in line with the much larger federal allowance of \$3,000.

THIRDLY is it reasonable that one may have a large amount of taxable interest on capital and not be allowed to use it to cover a capital loss? Does this really make sense?

FOURTH--Continue to remove the school budget from local property taxes and particularly the farmland tax. Fund the schools via sales and income tax.

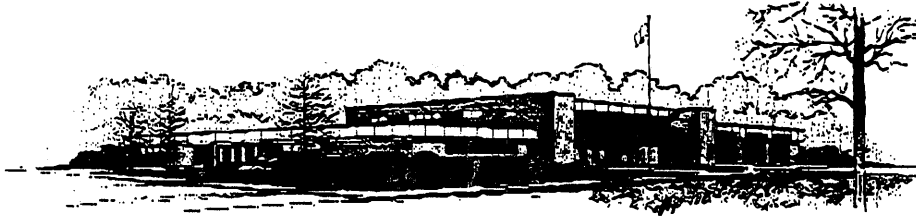
The local building codes and zoning laws are becoming highly focused on whether the proposed house will carry its own weight school tax wise -- this is wrong..wrong -- this keeps people with modest means in apartment houses and trailer parks from owning homes. People and children from private homes tend to be more responsible citizens.

I would like to congratulate and thank the tax department on their courteous and capable telephone assistance in doing my state income taxes.

Addressing these issues will certainly make income tax preparation a less taxing experience. My wife and I will be very grateful.

Sincerely, James and Nelda Harris

*James H. Harris*



General Government  
715-345-5250  
Fax 715-345-5253  
Clerk  
President  
Treasurer  
Administrator  
Zoning Administrator  
Assessor  
Building Inspection

## VILLAGE OF PLOVER

2400 Post Road  
P.O. Box 37  
Plover, WI 54467

Fire Department  
(Non Emergency)  
715-345-5910  
(Emergency) 911  
Police Department  
715-345-5255  
Street Department  
715-345-5257  
WWTP Department  
715-345-5259  
Water Department  
715-345-5254

DATE: April 13, 1999

TO: Joint Finance Committee

FROM: Daniel R. Mahoney, Administrator

AND SHERRI GALLE-TESSKE / PRESIDENT OF PLOVER AREA  
BUSINESS ASSOCIATION

RE: State Budget

The Village of Plover appreciates the opportunity of providing comments on the Governor's proposed budget at the State Budget Hearing held in Stevens Point, Wisconsin. The Village would like to focus on two specific areas of the proposed budget, including transportation and recycling program funding.

The Village is very pleased to see the increases proposed for transportation funding within the State. This will certainly have a positive impact on Portage County and the village of Plover. Appropriate funding of the transportation budget is a significant concern to the Village of Plover, given the large number of transportation projects that are ongoing or necessary within Portage County over the next 10 years. Projects such as the CTH HH Second Bridge Project, I39 resurfacing, Eisenhower Widening Project, Hoover Avenue Widening Project, Highway 10 Reconstruction Project, Highway 66 Project and CTH B Amherst Bypass Project are critical to the needs of Village and County residents. The Village anticipates additional needs, such as completion of the Hoover Avenue widening, reconstruction of Business Highway 51 and widening of STH 54 from CTH B to I 39 over the next 20 years. With the tremendous amount of existing and planned projects within Portage County, the Village is concerned that appropriate Department of Transportation staffing levels are maintained. The Village is extremely concerned because District 4 programming levels have steadily increased over the last few years, while staffing has been held steady or has been decreased. It is critical that municipalities such as the Village of Plover have the ability to access DOT staff and receive the necessary assistance. As such, the Village urges adequate staffing of the DOT to meet the needs of the Village of Plover and Portage County.



The Village also wishes to express its concern about the proposed elimination of the recycling grant program in two years. This Program is critical to the Village of Plover. The Village urges that an alternative source of funding be identified for the recycling program. The Village also encourages that an alternative source of funding be determined as soon as possible and not wait until the issue evolves into a crisis.

Thank you for your time and consideration!



April 13, 1999

Good morning Co-chairs Gard and Burke, and members of the Joint Committee on Finance.

Welcome to Central Wisconsin, and thank you for the opportunity it gives the voters of this area to express our views on the state budget.

You have a very big challenge ahead of you, a job that most of us in this room do on a monthly, sometimes weekly basis, although admittedly on a somewhat smaller scale. That job is to balance the "family checkbook," and your family checkbook is for the entire state of Wisconsin. Based on my years of experience with the family checkbook, I would like to respectfully offer a bit of advice.

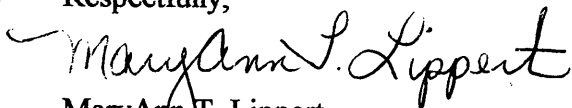
When faced with a finite amount of "revenue" (i.e. wages) I have found it helpful to differentiate between "needs" and "wants" --- the needs and wants of individual family members as well as the needs and wants of the entire family. "Needs" are essential -- a certain basic level of food, clothing, shelter, transportation -- that's the relatively easy stuff. The "wants" are much trickier and kind of like frosting on the cake -- going out to eat instead of home food preparation, Nike basketball shoes instead of a no-name brand, a bigger house or newer car. Some "wants" we get, most we don't. So your challenge in this relatively tight budget cycle, is to meet the needs of state residents while keeping a careful eye on the wants.

During these hearings in five locations throughout the state you will hear many requests for funding of many worthwhile programs and services. I would like to request consideration of an item that will benefit every single taxpayer in Wisconsin. Since no one in Wisconsin pays too little in taxes, I respectfully submit that the families of this state need a tax cut.

In 1998, I had the opportunity to be a candidate for elective representative office. During a four month period I knocked on almost 10,000 doors in Central Wisconsin, and I learned, first hand, directly from their mouths, that the biggest concern was taxes. I don't need to go over all the gruesome statistics -- it is a well-known fact that residents of Wisconsin pay some of the highest taxes in the entire nation. A tax cut will allow us to keep more of our hard-earned money. Then we, the taxpaying families of Wisconsin, have the privilege of deciding how to spend that money. I urge you to support an across the board reduction in income tax rates for all the working people of this state who are trying hard to balance their family checkbook.

Thank you for the opportunity to share my thoughts with you today.

Respectfully,



MaryAnn T. Lippert  
8182 Apple Road, Pittsville, WI 54466



# Daniel J. Diliberti

## Milwaukee County Board of Supervisors Eighth District

First Vice-Chairman, County Board

Vice Chairman:

Finance & Audit Committee

March 24, 1999

Member:

- Environmental Operations Committee
- Energy and Environmental Committee
- Observation Committee
- County Association, Education and Finance Committee
- Eastern Wisconsin Regional Planning Commission

Governor Tommy Thompson  
State Capitol  
Madison Wisconsin

Dear Governor Thompson:

I am writing to express my outrage and sense of betrayal in regard to the proposal in your 1999-2001 State Budget that would increase the administrative fee charged to counties for the collection of county sales and use taxes. Not only does this proposal directly contradict a promise that you made to Milwaukee County in 1992, but it also threatens to generate new and unneeded controversy for the Miller Park construction project.

On March 18, the Milwaukee County Board of Supervisors approved a report that outlines several major areas in which the County would be adversely affected by your proposed State Budget. While the sales tax administrative fee increase admittedly is by comparison only a minor item on that list, I believe that it merits your immediate re-consideration in light of the circumstances surrounding this issue.

As you will recall, several years ago you promised to help Milwaukee County find a way to fund its portion of the infrastructure costs for a new baseball stadium. In 1992, you lived up to that promise by agreeing to reduce for all counties the administrative fee that the State charges to administer the county sales tax from 3% to 1.5%. You recognized, when you took this action, that the existing 3% administrative fee was excessive. In fact, because an administrative structure already is in place to collect the state sales tax, many states charge counties nothing to perform this service. However, you stated that the primary impetus for the fee reduction was to help provide Milwaukee County with a means of funding stadium infrastructure costs. It also helped reimburse Milwaukee County for the millions of dollars in land that the County eventually transferred for the stadium project.

Based on this promise, I helped make that land transfer possible as then Chair of the Milwaukee County Parks Committee. And now, as Chair of the County's Finance and Audit Committee, I have stood by the County's promise to provide \$18 million in stadium infrastructure funding with the knowledge that the sales tax administrative fee had been reduced to help Milwaukee County meet its commitment.

Governor Tommy Thompson  
March 24, 1999  
Page 2

That is why I was so deeply disappointed when I learned of the provision in your 1999-2001 Budget that would reverse your promise by increasing the administrative fee to 1.75%. This 17% increase will cost Milwaukee County approximately \$145,000 in 2000, and more than \$2.5 million over the 15-year term of the County Stadium Bonds. It also will adversely impact Milwaukee County's ability to finance other capital projects at a time when we already are exceeding the state-imposed cap on capital spending.

I find it extremely disconcerting that the State would lure Milwaukee County into funding stadium infrastructure costs with a pledge to reduce the sales tax administrative fees and then, once the County made good on its commitment by issuing long-term bonds for the project, reverse this pledge and create another hole in the County budget. It is equally disconcerting to note the bitter irony in your decision to exempt the Southeastern Wisconsin Professional Baseball Park District from the administrative fee increase.

I can only hope that this relatively obscure budget provision was an oversight and that your personal promise and integrity will motivate you to rectify this problem now that it has been brought to your attention. With the City of Milwaukee's stadium funding dilemma finally resolved, and with Miller Park more than half completed, this is not the time for the State to revisit the stadium funding question, once again, by reversing a long-standing commitment. It would be particularly foolish to re-open this issue for the sake of a budget provision that would add a few million dollars to an existing State surplus that exceeds \$400 million.

I respectfully urge you to take swift action to remedy this error.

Sincerely,

  
Daniel J. Diliberti

c.c. Robert Trunzo, Chairman, Southeastern Wisconsin Professional Baseball Park District  
Senator Brian Burke  
County Executive F. Thomas Ament  
Members, Milwaukee County Board of Supervisors

**COUNTY OF MILWAUKEE  
INTER-OFFICE COMMUNICATION**

**DATE:** December 21, 1994  
**TO:** Supervisor Richard D. Nyklewicz, Jr., Finance Committee Chairman  
**FROM:** Ron Gindt, Capital Finance Manager  
**SUBJECT:** Brewers Stadium

**Background**

You requested an update to a 1991 analysis prepared by the Department of Administration which examined projected Milwaukee County costs for the construction of public infrastructure costs related to the proposed Brewers Stadium. On July 4, 1991, the State Legislature passed Assembly Bill 485, which established a financing structure for the \$67.2 million in public costs estimated for the new Brewers Stadium. Milwaukee County's estimated 25 percent share of public infrastructure costs totaled \$16.8 million. It was anticipated that these improvements would be financed from \$1.5 million in highway aids and \$15.3 million in general obligation borrowing. The original analysis indicated that projected revenues were sufficient to repay an estimated \$28.6 million in debt service costs over a 22 year period without a "direct" reliance on property tax revenue. Subsequently, the County began reserving certain county sales and use tax revenues for stadium bond repayment. In 1992 the County issued \$6.0 million in general obligation bonds for initial project work elements. These bonds were lapsed to the County's debt service fund at year-end 1992 when it became evident that project implementation would be delayed. In addition, the County Board also directed that all revenues reserved for stadium bond repayment be lapsed to the general fund.

Attached is an updated summary which shows that sales tax revenues earmarked for the Brewers Stadium project are projected to be insufficient to repay estimated stadium bonds within the fifteen year repayment period established by current County financing policies. The analysis indicates that earmarked revenues would be sufficient to repay bonds on a net present value basis over a 23 year period.

**Key Assumptions Used For The Original Analysis**

1. The County's share of the public costs of the new Brewers stadium would be \$16.8 million, or one-quarter of the total public costs.
2. The County would use \$1.5 million in State highway aids to directly finance a like amount of roadway costs as part of its share of the public costs of the new stadium.
3. The remaining \$15.3 million in County costs would be financed with tax exempt general obligation bond proceeds. While the actual financing structure would be determined prior to bond authorization, based on then-prevailing market conditions and updated project cash flow estimates, it was assumed that bonds for the stadium would be issued in 1992 and 1994 as part of the County's regular corporate purpose issues.
4. Beginning January 1, 1992, County sales taxes collected at existing County Stadium and revenues subsequently collected at the new Brewers stadium would be reserved for repayment of stadium debt.
5. As provided in AB 485, fees for State collection of the County sales tax will be reduced from 3% to 1.5%, beginning with the February 1992 distribution of sales tax revenues. These increased revenues would also be reserved for repayment of stadium debt.

**Finance Committee combines key step with removal of \$4 million in infrastructure funding**

By GRETCHEN SCHULTZ AND CRAIG GILBERT of the Journal Sentinel staff

The County Board's Finance Committee Tuesday recommended transferring

land needed for a new Milwaukee Brewers stadium, a key decision that state and Brewers officials say would allow the project to move forward.

In the same action, however,

er, the committee rejected a plan to spend the first installment on the county's \$18 million portion of infrastructure improvements needed for the stadium, amid talks with state officials on that issue.

A spokesman for Gov. Tommy Thompson hailed the land transfer decision, while downplaying the move to

strike the funding for stadium infrastructure work.

"The important thing was that they transfer the land. That was the crucial element to moving forward on this project," said Kevin Keane.

The stadium land transfer

Please see STADIUM page 10

**STADIUM POLL**  
A new poll indicates that 70% of state residents don't like the stadium financing plan, and more than half don't know how it was handled in Madison.  
Story on 11A

# Stadium/Panel OKs land transfer

From page 1

will be considered Thursday by the full County Board, but final action may be delayed until Monday. The board on Monday is scheduled to adopt the 1996 budget, at which time the committee's decision on the stadium issues will be considered.

County Board Chairman Robert Jackson said he did not think the full board would reverse the committee's financing recommendation.

Some supervisors have argued the county is in no financial condition to contribute millions of dollars for the benefit of a private business. Even without the infrastructure financing issue, the board is having great difficulty developing a 1996 budget that meets the needs of county residents.

In the Finance Committee's budget deliberations, which concluded Tuesday, the panel recommended the county adopt a 1996 budget that calls for a property tax levy of \$170.1 million, an increase of 8.8% from the levy for this year.

And the outlook for 1997, supervisors say, is even worse.

Ament had included \$4 million of the total \$18 million in infrastructure spending in his 1996 budget. The Finance Committee recommended deleting those funds.

The committee also recommended that land for the new stadium be conveyed to the state "in lieu of any county cost commitment for infrastructure improvements related to the construction of a new stadium."

Ament said after the meeting he was hopeful supervisors eventually would approve the infrastructure spending.

Ament said his office had been in touch with state Secretary of Administration James Klauser, the governor's top aide and a key figure in stadium ne-

gotiations.

"I've not been told . . . (the funding) is unimportant or forget it," Ament said.

Klauser said the land had to be conveyed to the state, so the state could lease it to the new five-county stadium authority, and the authority then could begin work on financing and building the ballpark.

Both he and Keane suggested the issue of the county's infrastructure contribution was something that could be worked out later.

Klauser said he had "positive conversations" with county officials Tuesday on the infrastructure issue. But he added: "We can't solve every problem in one day."

Laurel Prieb, a spokesman for the Brewers said, said of the land transfer move, "From a timing standpoint, it was just very important . . . The infrastructure, of course, needs to be dealt with and it will be."

Jackson, a Finance Committee member, said the state had potential revenue sources, including Indian gaming or the Canadian Football League, to pay the \$18 million.

Supervisor Lynne DeBruin, who represents the area surrounding the stadium, said after the Finance Committee meeting that she was concerned the committee's action could prompt the Milwaukee Common Council to put on hold its agreement to fund \$18 million in infrastructure costs. That could put the entire stadium deal in jeopardy, she said.

However, she said, the proposed land transfer would have failed Tuesday in the Committee on Parks, Recreation and Culture had the financing commitment not been dropped.

The Parks Committee recommended approval of the transfer on a 4-3 vote. The resolution approved by the committee calls for the state to pay for any environmental cleanup needed at the site. The Finance Committee included in its resolution the wording endorsed by the Parks Committee.

Finance Committee Chairman Richard Nyklewicz Jr. said the land transfer would allow the Brewers and the Wisconsin Professional Baseball District to begin site work for the new stadium.

Jackson said some supervisors had asked state officials for help on the infrastructure funding.

"The assurances are they will be working with us," Jackson said, adding there has been no firm commitment from the state on the funding issue.

In August, Klauser said the county should not look to the state for help in paying the infrastructure costs.

More than three years ago, the state reduced administrative fees for handling the county's sales tax. The reduction, which would have saved \$800,000 to \$850,000 in sales tax revenue, was aimed at helping the county avoid levying property taxes for infrastructure costs related to the stadium, he said.

In 1991, the County Board agreed to pay for \$17 million in site and road construction work. However the plan at the time called for the Brewers to pay for the stadium, with \$33.6 million in other infrastructure costs provided by the state and a \$35 million state loan to the Brewers to help finance the construction.

Joe Williams of the Journal Sentinel staff contributed to this report.



James Klauser:

"We can't solve every problem in one day."

## WCHA BUDGET RESOLUTION WISDOT 2000 - 2001 BUDGET PROPOSAL

WHERE AS: THE WISCONSIN COUNTY HIGHWAY ASSOCIATION (WCHA) HAS REVIEWED THE CURRENT WISDOT BUDGET BEING CONSIDERED BY JOINT FINANCE

AND WHERE AS: THE WCHA HAS WORKED DILEGENTLY WITH WISDOT IN THE PAST TO IDENTIFY TRANSPORTATION NEEDS ACROSS WISCONSIN BOTH ON THE STATE SYSTEM AND LOCAL HIGHWAY SYSTEM

AND WHERE AS: THE WISCONSIN LEGISLATURE PROACTIVELY PROVIDED INCREASES IN TRANSPORTATION REVENUE DURING THE LAST BI-ANNUAL BUDGET IN RESPONSE TO THE NEEDS IDENTIFIED

AND WHERE AS: THE WCHA CONTINUED TO WORK DILEGENTLY WITH WISDOT TO ENSURE WISCONSIN RECEIVE INCREASED FEDERAL FUNDS AND WISCONSIN RECEIVED AND CONTINUES TO RECEIVE SIGNIFICATELY MORE IN FEDERAL FUNDS UNDER TEA-21 THAN RECEIVED UNDER THE ISTEA PROVISIONS

AND WHERE AS: THE CURRENT WISDOT BUDGET PROPOSAL BEING CONSIDERED CONTINUES AN ALARMING TREND OF REDUCED COMMITMENT IN LOCAL HIGHWAYS RESULTING IN A 3.00% DECLINE IN LOCAL HIGHWAY PROGRAMS AS DIRECTLY RELATED TO STH ROAD PROGRAMS FROM 1997 - 2001

AND WHERE AS: THIS DECLINE RESULTS IN A REDUCED COMMITMENT BY WISDOT IN LOCAL HIGHWAYS OF 36.6 MILLION DOLLARS IN 2001 ALONE

NOW THEREFORE BE IT RESOLVED: THE WISCONSIN COUNTY HIGHWAY ASSOCIATION SUPPORTS INCREASED FUNDING OF 36.6 MILLION DOLLARS IN FY2000 AND 36.6 MILLION DOLLARS IN FY2001 FOR LOCAL HIGHWAYS, WITH THE INCREASED FUNDS TO BE ADDED TO GENERAL TRANSPORTATION AIDS (GTA), LOCAL ROAD IMPROVEMENT PROGRAM (LRIP), & COUNTY HIGHWAY IMPROVEMENT PROGRAM - DESCRETIONARY (CHIP-D)

AND BE IT FURTHER RESOLVED: THAT THIS INCREASE IN FUNDING FOR LOCAL HIGHWAYS BE FUNDED WITH THE TRANSPORTATION FUNDS CURRENTLY INCLUDED IN THE PROPOSED WISDOT BUDGET THUS RESTABLISHING A LEVEL OF COMMITMENT EQUAL TO 1997 LEVELS AND ENSURING THAT LOCAL HIGHWAYS SHARE FULLY & EQUALLY IN ALL TRANSPORTATION FUND INCREASES

MARCH 31, 1999

# 1999 - 2001 WISDOT BUDGET REVIEW OF MAJOR ROAD PROGRAMS

3/20/99  
PROGRAM

1997                      1998                      1999                      2000                      2001

PAGE 1

2001

MAJORS                      \$ 162,179,000                      \$ 189,587,200                      \$ 192,579,100                      \$ 14,926,300                      \$ 207,505,400                      \$ 213,604,400                      \$ 220,013,900

PLUS TEA-21 \$\$

\$ 192,579,100  
\$ 14,926,300  
\$ 207,505,400

REHAB                      \$ 403,890,700                      \$ 452,620,100                      \$ 462,097,500                      \$ 73,328,800                      \$ 535,428,300                      \$ 542,921,400                      \$ 550,142,200

PLUS TEA-21 \$\$

\$ 462,097,500  
\$ 73,328,800  
\$ 535,428,300

SUBTOTAL STH                      \$ 565,869,700                      \$ 642,207,300                      \$ 742,951,700                      \$ 326,483,400                      \$ 41,030,100                      \$ 786,526,800                      \$ 770,166,100

GTA                      \$ 288,634,000                      \$ 309,661,500                      \$ 326,483,400                      \$ 331,167,500                      \$ 43,540,900                      \$ 335,891,500

LOCAL BRIDGE                      \$ 39,832,700                      \$ 64,070,100                      \$ 41,030,100                      \$ 2,517,300                      \$ 43,547,400                      \$ 43,540,900

PLUS TEA-21 \$\$

\$ 41,030,100  
\$ 2,517,300  
\$ 43,547,400

LOCAL ROADS                      \$ 89,697,400                      \$ 104,622,400                      \$ 104,622,400                      \$ 21,341,700                      \$ 125,984,100                      \$ 126,214,100                      \$ 126,214,100

PLUS TEA-21 \$\$

\$ 104,622,400  
\$ 21,341,700  
\$ 125,984,100

SUBTOTAL LOC.                      \$ 418,264,100                      \$ 476,384,000                      \$ 496,994,900                      \$ 500,942,600                      \$ 605,846,600

TOTAL ROADS                      \$ 984,133,800                      \$ 1,120,591,300                      \$ 1,238,928,800                      \$ 1,257,468,300                      \$ 1,275,802,600

TOTAL BUDGET                      \$ 1,587,090,700                      \$ 1,739,913,700                      \$ 1,775,908,000                      \$ 136,318,200                      \$ 1,914,126,200                      \$ 1,984,914,100                      \$ 2,019,408,900

PLUS TEA-21 \$\$

\$ 1,739,913,700  
\$ 136,318,200  
\$ 1,914,126,200

% STH OF TOTAL                      36.11%                      36.91%                      41.84%                      38.50%                      38.14%

% STH OF ROADS                      67.60%                      57.31%                      59.97%                      60.16%

% LOCAL OF TOTAL                      26.69%                      27.49%                      27.93%

26.69%

26.04%

% LOCAL OF ROADS                      42.60%                      42.69%                      40.03%                      39.84%

42.69%

39.84%

39.63%

3/20/99

# 1999 - 2001 WISDOT BUDGET REVIEW OF MAJOR ROAD PROGRAMS

PAGE 2

% OF ROAD PROGRAMS VS TOTAL BUDGET IN 1997	62.90%	
% OF ROAD PROGRAMS VS TOTAL BUDGET IN 2001	63.19%	0.39% OR <b>\$ 7,612,728</b>

DOLLAR IMPACT OF WISDOT COMMITMENT TO LOCAL PROGRAMS AS % OF TOTAL BUDGET

1997	26.69%	VS	25.04%	IN 2001 OR A REDUCED COMMITMENT OF	1.65% OR <b>\$ 33,320,247</b>
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DOLLAR IMPACT OF WISDOT COMMITMENT TO S.T.H. PROGRAMS AS % OF TOTAL BUDGET

1997	36.11%	VS	38.14%	IN 2001 OR A INCREASED COMMITMENT OF	2.03% OR <b>\$ 40,994,001</b>
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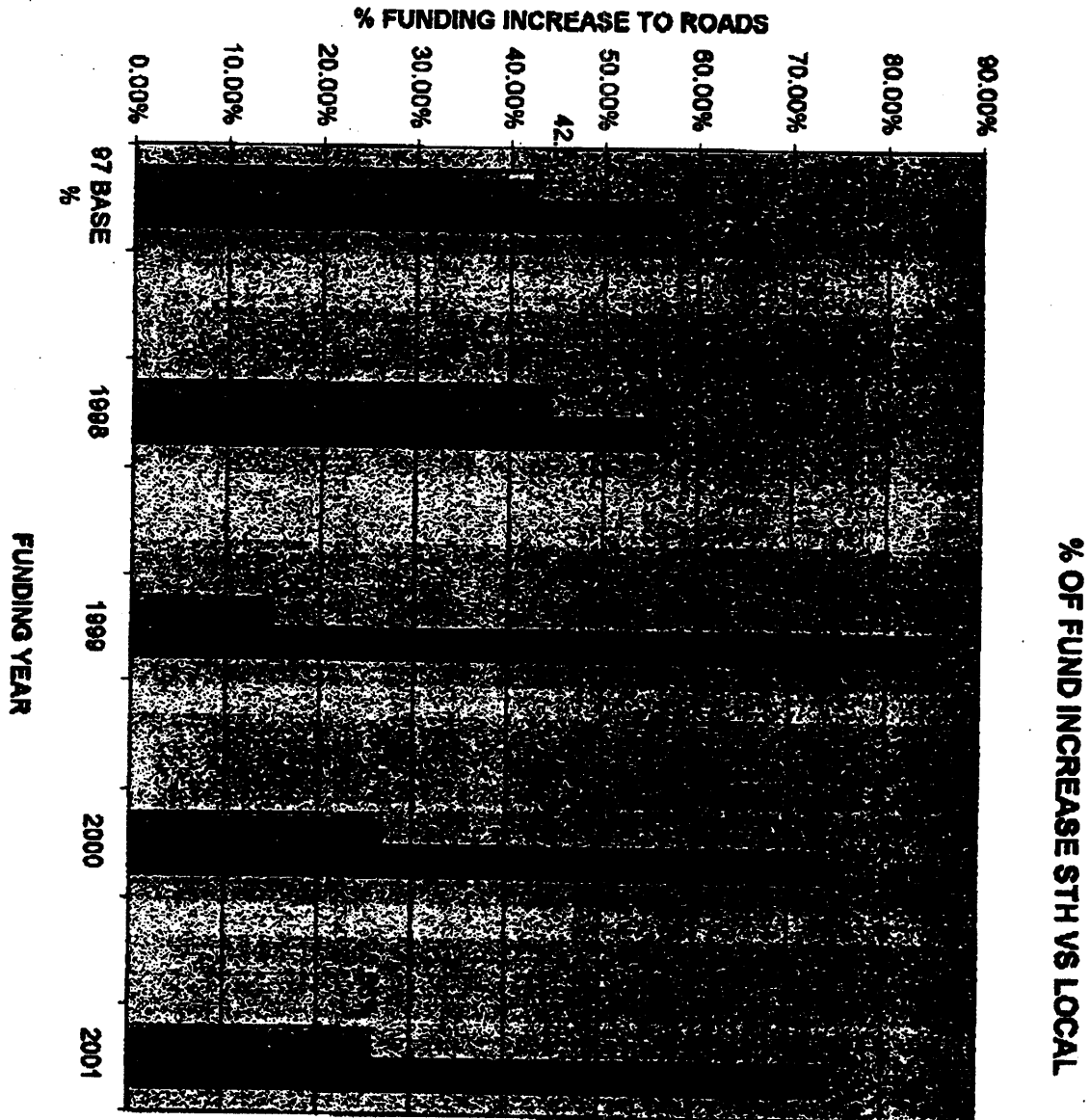
DOLLAR IMPACT OF WISDOT COMMITMENT TO LOCAL PROGRAMS AS % OF ROAD PROGRAMS

1997	42.50%	VS	39.63%	IN 2001 OR A REDUCED COMMITMENT OF	2.87% OR <b>\$ 36,676,984</b>
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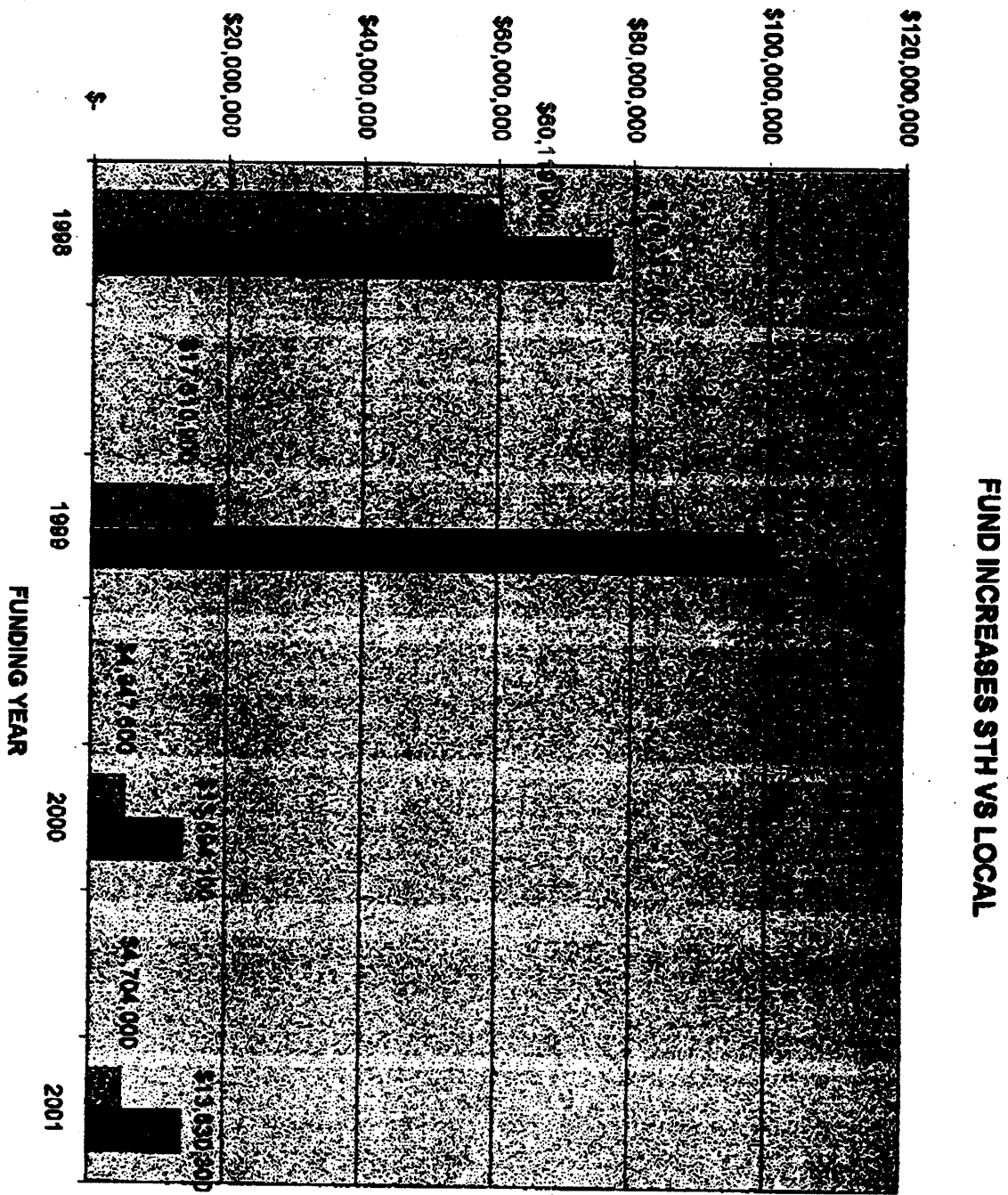
DOLLAR IMPACT OF WISDOT COMMITMENT TO S.T.H. PROGRAMS AS % OF ROAD PROGRAMS

1997	57.50%	VS	60.37%	IN 2001 OR A INCREASED COMMITMENT OF	2.87% OR <b>\$ 36,676,984</b>
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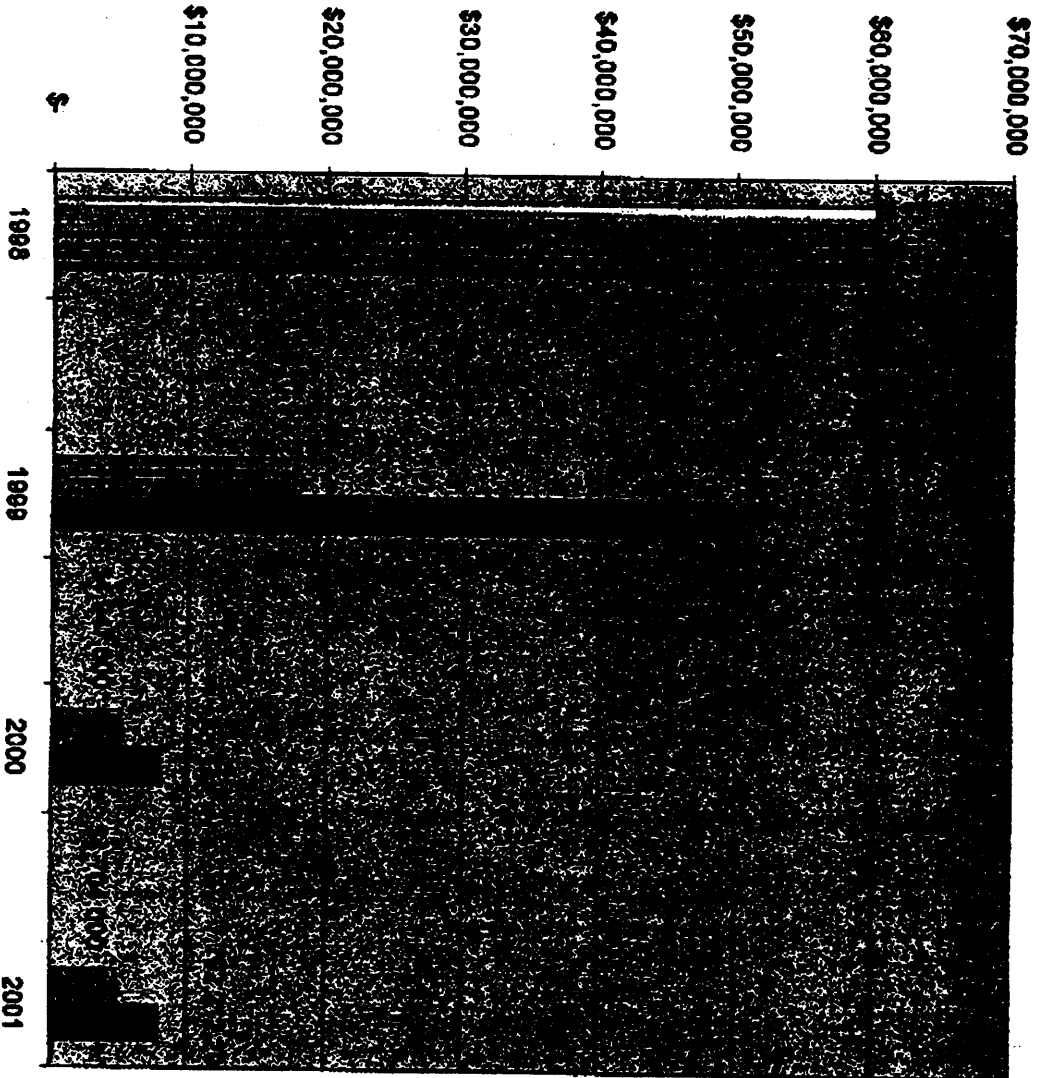
TOTAL FUNDS TO ROADS



INCREASE IN LOC  
 INCREASE IN STH

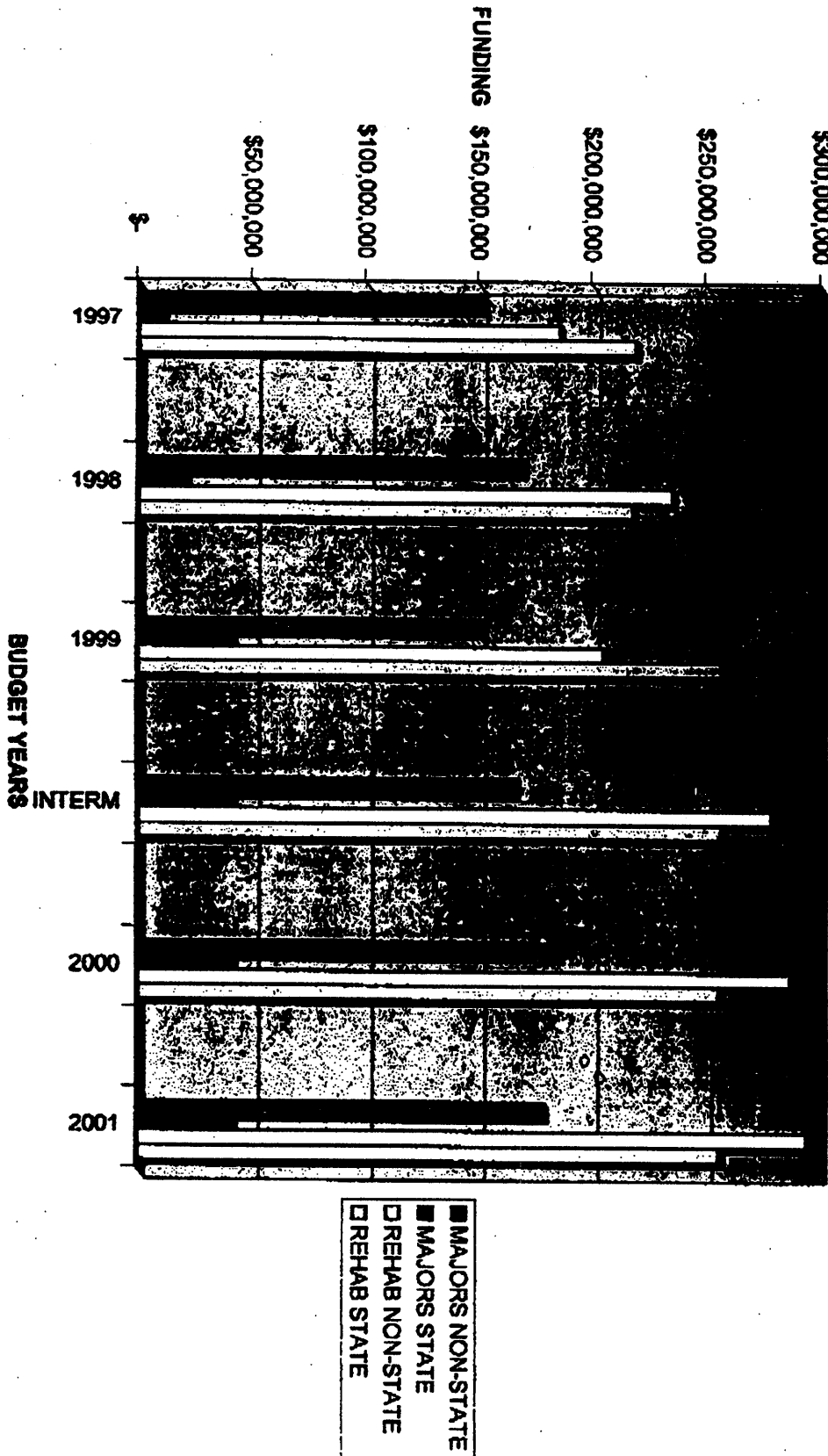
FUND INCREASES STH VS LOCAL

**ACTUAL & PROPOSED VS MAINTAINED COMMITMENT**



■ ACTUAL AND WISDOT PROPOSED FUND INCREASES  
■ PROJECTED FUND INCREASE MAINTAINED COMMITMENT

WISDOT STH BUDGET COMPARISON



State Highways: It is crucial the Committee understands that the 1999 base year funding level used in the Governor's budget is misleading. It assumes a 13% increase in funding above levels approved in the previous biennium as a result of a Committee decision in December 1998 to approve WisDOT's proposal for spending most of the new TEA-21 money on state highways. In short, the actual increase over two years ago is not the inflationary increase supposedly proposed in the Governor's proposal. Moreover, added to the 98% increase in funding for the major highway projects between 1976 and 1997 revealed by the Audit Bureau, this committee's 13% increase for state highways in December is enough. Since transportation needs now dependent on property taxes are being ignored in the Governor's budget, the state highway program has little claim on further increases in 1999-2001. Furthermore, this committee's approval of increased federal funds for major highways in 1998 and 1999 should not be presumed by WisDOT for 2000-2001 and beyond. When are we going to begin to fulfill Translinks 21 and start seeing WisDOT budgets that balance spending more equally among different transportation modes?

Local Roads: Although it is good that the Committee in December of 1998 increased funding for one small local roads program-i.e., the Local Transportation Facility Improvement program--overall funding for local roads is not keeping up with costs and continues to burden local property taxpayers. In contrast with the State Highway Program, funding for General Transportation Aids (known as local road aids) truly does start out at the same level as two years ago and will not, under the Governor's proposal, even keep up entirely with inflation. We support, instead, Sen. Burke's proposal for 6% increases in each of the biennial years as part of a gradual evolution towards spending equal shares of the overall state transportation budget for state and local needs.

Transit: While the Governor's budget continues to accelerate expensive projects to expand state highway capacity, funding for expansions of state transit systems is still missing from the Governor's budget. We object to the state's continued cap on local transit spending as well as it's 50% and 65% caps on total state and federal assistance. This last cap makes it impossible for transit systems to expand service even when they succeed in obtaining additional federal funds. State transit assistance should be expanded as in Sen. Burke's proposal and "de-coupled" from federal assistance so that it cannot be used as a penalty against hard-won gains in federal funding.

Elderly/Disabled Specialized Transportation (85.21 Program): Wisconsin's paltry \$8 million program for 72 counties across the state for this quickly growing need is shameful. At best, WisDOT planning documents indicate that we are transporting half of the eligible riders half of the time they need. Independent service agencies estimate that current service supplies 10-20% of the need. Thus, the Governor's proposal to increase this fund by less than \$200,000 is ludicrous. We need a major increase, on the order of a doubling of current funding, to reach even WisDOT's proposed level of adequate spending. Although Sen. Burke's proposal is far better than the Governor's, it frankly doesn't go far enough.

Land Use Planning: We strongly support and applaud the Governor's initiative in providing \$1 million in federal transportation planning funds to local communities for planning. It's not enough for the tens of

thousands of local units of government now impacted by major highway projects but it's a good start. We believe that, above all, this money should be used to help local communities plan for and mitigate the secondary land use (sprawl) impacts of major state highway projects. We also support WisDOT's request for statutory modifications to: 1) create a new program category in Section 85 that would allow corridor land use planning to be funded with transportation planning dollars; and, 2) require transportation impact analyses to be done for large developments.

State Highway Plan: The engine that generates roughly six new major highway project enumerations every year except this one is the state highway plan. WisDOT's new state highway plan calls for funding increases of \$4.2 billion or \$200 million annually, equivalent to a gas tax increase of 7 cents. If any plan deserves to be reviewed by this committee, this plan should. Otherwise, the committee can only look forward to dozens of expensive project recommendations over which it can exercise no real control. Moreover, we point out that, once again, there are no parallel plans for increased investments in local roads or transit. Plans for these needs are still sitting on the shelf in the form of an aging long-range WisDOT planning document called Translinks 21. Amend this budget to require that the State Highway Plan is debated and reviewed by your committee.

----- Headers -----

Return-Path: <robkennedy@igc.org>  
Received: from rly-za04.mx.aol.com (rly-za04.mail.aol.com [172.31.36.100]) by air-za04.mail.aol.com (v59.4) with SMTP; Wed, 07 Apr 1999 15:49:46 2000  
Received: from igcb.igc.org (igcb.igc.org [192.82.108.46])  
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Date: Wed, 07 Apr 1999 14:32:29 -0700  
From: Rob Kennedy <robkennedy@igc.org>  
Reply-To: robkennedy@igc.org  
X-Mailer: Mozilla 4.04 [en] (Win95; U)  
MIME-Version: 1.0  
To: ronthom@aol.com  
Subject: JFC Hearings  
Content-Type: text/plain; charset=us-ascii  
Content-Transfer-Encoding: 7bit

FROM: JEAN Mc GRAW  
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JEAN Mc GRAW

Three items: 1. Commuter Rail 2. Rivers and Streams Protection Grants (Shibelski-Cowles Amendment. 3. Stewardship Fund Land Acquisitions

1. Commuter rail : Please free up the money for commuter rail so this program can go forward with no more delays. All the concerned communities want commuter rail and have made their financial commitment. We need mass transit which will cut down on highway congestion and maintenance, reduce air pollution, and link our communities effectively for both business and recreation. Spend the money on commuter rail, not on more highways which deface our countryside and encourage urban sprawl.

2. Rivers and Streams Protection Grants: an excellent, much needed program. Please support the Shibelski-Cowles Amendment which will authorize a small pool of funds for local river and watershed groups to reach their goals. Local organizations are striving to change the Root River from a liability to an asset. ~~OB~~ OBO, the Sierra Club, Hoy Nature Club, Sustainable Racine, and the Kenosha/Racine Land Trust.

We also are trying to protect the Des Plaines River basin which still has working wetlands and excellent habitat for many species. This riverine system should be preserved unspoiled.

3. Stewardship Fund: I have no quarrel with the amount of the fund. I object to the way the funds are allocated for the Land Acquisition. They are allocated over a ten-year period. During the first five years the allocations are meager, gradually increasing until the tenth year. The first year allocation is not even sufficient to fund already planned purchases. At the very least the fund should be evenly allocated through the ten years. Better, the most money should be spent the first five years because the precious lands now available for preservation are being snapped up by developers at record rate. These lands will disappear before the end of the decade. We need to acquire these lands NOW.

Also the DNR is required to award grants equal to 50% of ASSESSED VALUATION. Land assessments are often not realistic. A property may be assessed at \$5000, but the selling price may be \$40,000. Grants should equal one-half the PURCHASE price.

Conservation Reserve: The \$40 million provided in this category should be eliminated and the money transferred to other categories, i.e. Land Acquisition. The CRE program provides payments to farmers to enter 15-year contracts to set aside a portion of their land for habitat improvement. The land still belongs to the farmer. The Stewardship Fund's mission is to buy land to give it permanent protection, not to pay farmers to implement short-term conservation easements. This program should be financed elsewhere.

JOINT COMMITTEE ON FINANCE  
RACINE HEARINGS  
TESTIMONY ON TRANSPORTATION ISSUES  
SUBMITTED BY

~~MADE AVAILABLE~~

CITIZENS FOR A BETTER ENVIRONMENT

APRIL, 1999 AND

Submitted by SUSTAINABLE RACINE 4/8/99 RON THOMAS

Commuter Rail Study Funds: We object to the Governor's elimination of WisDOT's proposal for \$1 million per year in additional multimodal planning money for commuter rail alternatives analyses, including for Metra extension through Racine to Milwaukee. Important, long-considered local planning requests should be honored. Wisconsin now receives more than \$100 million in additional, mostly multi-modal federal funding and certainly \$1 million of that new money can be spent on a locally requested alternative.

Passenger Rail: We strongly support and applaud the Governor's initiative on rail passenger service, especially high speed rail. In particular we endorse use of Congestion Mitigation/Air Quality funds to continue Hiawatha service and \$500,000 in federal money to improve grade crossings. This will increase safety for motorists and others and allow for faster speeds on the Hiawatha as well as other trains. In fact it would be better to spend more money on this goal. Railroad grade crossing improvements are currently eligible for hundreds of millions of dollars in federal Safety and Surface Transportation program funding, which today Wisconsin spends almost entirely on highway construction, not the practice in many other states. We also support the Governor's pledge of state funding to match federal Federal Railroad Administration planning funds to develop final engineering design specifications for Amtrak service between Milwaukee and Madison as a key step towards a high speed rail corridor that will serve everyone in the state, including residents of Racine.

Senator Plache:

As a Timeshare owner, I am opposed to taking Maintenance Fees for Timeshare owners. Condominium owners pay Maintenance Fees and are not taxed. Why suggest that Timeshare Owners be taxed on Maintenance Fees. Tourism will suffer in Wisconsin if this Fee is allowed. We already have a high tax bracket in this state and to impose this upon owners will only be another financial hardship we cannot afford. Send this issue and Timesharing alone!

Harry E. Fitz



Opinion Page  
Racine Journal Times  
212 4<sup>th</sup> Street  
Racine, WI 53403

To:

Joint Finance Committee  
Hearing, J. I. Case Aud. Program  
April 8, 1999

To the ~~editor,~~ <sup>Committee</sup>

The proposed state budget has been released, and Thursday, April 8, at J. I. Case High School auditorium, you can go and put in your opinion at the State Joint Committee on Finance hearings between 10:30 and 5:00 pm. One place we can get great value for our money is the major investment study for a commuter rail from Milwaukee, through Racine, to Kenosha and Chicago. This study received the County and City share required. Surprisingly, the expected state share is not in the budget. We citizens must speak up, request the state funds for the study, so we can answer serious questions of engineering issues and funding sources. For example, without this study we will not be eligible for things like Federal Pollution Abatement funds, which could pay for most of the new stations.

The Southeast Wisconsin Regional Planning Commission (SEWRPC) feasibility study concluded that a commuter train would be highly successful. It will help Racine people get to their jobs. It will bring more jobs to Racine. It will help reduce air pollution in Southeast Wisconsin, which helps us all.

We must appeal to the state legislature to include \$600,000 for the next stage of study. We must speak up. Go to the hearings on Thursday. Sign a statement supporting the commuter rail study. If you have the time, speak on the subject. Stand up for Racine, yourself and your friends and neighbors. This study is a very low cost investment in Racine's future. Our future.

Jay Warner  
Caledonia

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Statement favoring railroad passenger project funding

presented by Norman Siler, on behalf of KenRail

April 8, 1999

to Joint Finance Committee, Wisconsin Legislature

Good morning. My name is Norman Siler, a resident of Kenosha county and voter in the City of Kenosha. I represent the Kenosha-Racine chapter of a statewide non-profit group, Wisconsin Association of Railroad Passengers, which we identify colloquially as KenRail and WisARP, respectively.

In the past year, KenRail has lauded the completion of a "feasibility study" by Southeast Wisconsin Regional Planning Commission which evaluated a proposal for establishing a public transit rail service, often termed commuter rail service, between Milwaukee and Kenosha, as an extension of existing commuter rail service on lakeshore tracks between Chicago and Kenosha. The Illinois commuter service, known as Metra, is a longstanding facet of the several commuting modes available to northeast Illinois workers and professionals, and its availability in Kenosha attracts more than 300 riders each weekday.

A favorable finding by SEWRPC in its evaluation, and a recommendation by the technical committee advising SEWRPC during its study to proceed with a second, more detailed study of Milwaukee-Kenosha commuter trains led us, KenRail, to anticipate onset of that second study early this year, in 1999. To date, that start up by SEWRPC, has not begun, and several reasons can explain the delay, including SEWRPC preoccupation with other commuter rail proposals elsewhere.

Meanwhile, uncertainty has also haunted some of the funding for the second, detailed planning study because Department of Transportation, WisDOT, has lacked guidance from legislators in formulating its funding priorities for railroad transportation projects. However, legislators have lacked sufficient data about commuter rail project proposals to formulate a meaningful policy toward them. Legislators have looked to WisDOT for guidance in formulating criteria for measuring commuter rail proposals, while WisDOT has looked to the Legislature for policy guidance on the same proposals. To a layman, the indecision has seemed equivalent to deciding which came first, the chicken or the egg.

KenRail members and other lakeshore supporters for commuter rail service expect WisDOT will soon break this conundrum by funding the SEWRPC detailed planning study of lakeshore commuter rail service, as first studied in 1997-1998. With that pioneering procedural work by SEWRPC and WisDOT, we expect the Legislature will then have sufficient data, through WisDOT, to begin formulating a statewide policy toward passenger rail projects.

In other words, we believe concurrent studies of commuter rail projects for Milwaukee-Kenosha service and for Dane county service, also being funded by WisDOT, will during the next biennium begin the next phase of a process initiated by 57 percent of Wisconsin voters in 1992 -- and by almost 70 percent in Kenosha county -- when they approved a constitutional amendment to use State funds for railroad projects, as the constitution earlier authorized State funding of airports, harbors and highways.

During that next phase, during the next biennium, the Legislature will begin addressing the

funding priorities which must accompany any State of Wisconsin expenditure. We believe you will glean much insight from the SEWRPC study of commuter trains here, as will WisDOT. Those crucial insights will prove particularly useful to Joint Finance Committee as it addresses a range of other proposals for passenger trains, including the Midwest Regional Rail System, a nine-state project for linking several Wisconsin cities via high speed trains to Minneapolis and Chicago, and to other cities beyond Chicago.

With southeast Wisconsin preparing to study in detail a commuter rail project, we urge Joint Finance Committee to provide in the next biennium a budget item which addresses regional proposals for railroad projects, as well as providing for statewide evaluations of other proposals. We in southeast Wisconsin, thanks to our Regional Planning Commission and support from lakeshore community leaders, have been at the forefront of implementing the 1992 decision by Wisconsin voters to apply State funds to railroad projects, to passenger train projects as well as freight rail projects.

We, KenRail, urge you to draw upon the regional work done here in addressing the statewide funding decisions legislators will be called upon to make in the years after the next biennium. And, we urge you to provide funds in future biennia which bring to fruition the project plans developed regionally and by WisDOT.

Thank you.

Norman Siler, editor  
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